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Changing life styles, high consumption boost growth

BY ALFRED HONG
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NEW YORK—During the past few years, the administration's fiscal policy of continuous deficit spending under conditions of high economic activity has given consumers the opportunity to demonstrate their capacity to consume.

Judging from the succession of retail sales records that have been broken, they really have been exerting themselves. Retail sales in all major U.S. markets have enjoyed significant gains from this largess, and foreign and American businesses alike who have helped promote the cause have realized very favorable results.

The administration's pursuit of this beneficent policy has enabled the American economic system, already famed for its achievements in mass production and in mass consumption, to develop an ultra-high-consumption life style.

As a result, the volume of retail transactions has reached such a level that it will be a difficult pace to maintain and a challenge to surpass as the economy enters the threshold of the '80s.

- As marketers formulate their plans to scale the peaks that loom ahead, they will profit by examining some of the significant developments that have transformed the dimensions of the nation's markets.

Of course, not all of the credit for fostering high consumption belongs to the administration and the marketing professionals. The financial services community provides a considerable boost with its rapid development and broad distribution of new credit instruments. Each new variety of credit enhanced the purchasing power of consumers.

The mainstay of this elevated life style is the NOW generation, spearheaded by the veterans who emerged from the social and political struggles of the Vietnam controversy. They are ushering in a new era, one that will fill America with boundless activity and excitement. They comprise 40% of the populace, each with his own widely diversified interests but uniformly directed toward the enjoyment of life to the fullest.

- The restless youth of America are well prepared for this development. They have the self-assurance and the self-orientation to make

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Helping attract Louisville residents back to the center city is Belgravia Court, a green oasis in the old town south of downtown.

Population, income, retail sales of 100 top markets

Compiled by Marketing Economics Institute Inc MEI

Rank	SMSA	Population 1/1/79	000 omitted Disposable personal income: 1978	Total retail sales: 1978	Per household income: 1978
1	New York, N.Y	9.265 7	$70.916.871	$26.237.272	$19.514
2	Los Angeles-Long Beach, Cal	7.197 6	48.870.925	28.529.774	17.310
3	Chicago, Ill	6.989 9	53.730.767	27.372.706	21.823
4	Philadelphia, Pa	4.741 1	33.559.849	16.061.649	20.378
5	Detroit, Mich	4.359 3	32.806.560	17.076.275	22.251
6	Boston-Lowell-Brockton-Lawrence-Haverhill, Mass	3.841 8	27.419.323	14.000.316	20.459
7	San Francisco-Oakland, Cal	3.164 4	26.006.270	13.187.165	20.867
8	Wash., D.C.-Md.-Va	2.998 1	30.318.505	12.339.382	28.872
9	Nassau-Suffolk, N.Y	2.697 9	23.627.176	9.900.294	28.171
10	Dallas-Fort Worth, Tex	2.676 3	19.543.426	10.727.128	20.364
11	Houston, Tex	2.626 6	22.393.276	10.656.904	24.573
12	St. Louis, Mo	2.374 6	16.368.829	8.760.791	19.776
13	Pittsburgh, Pa	2.278 0	15.842.078	8.073.171	19.443
14	Baltimore, Md	2.158 0	11.009.726	7.223.610	14.965
15	Minneapolis-St. Paul, Minn	2.017 5	15.461.153	8.292.770	22.538
16	Newark, N.J	1.952 0	14.618.329	6.668.984	21.300
17	Cleveland, O	1.923 1	13.613.038	7.475.665	20.016
18	Atlanta, Ga	1.848 0	11.842.048	7.680.795	18.687
19	Anaheim-Santa Ana-Garden Grove, Cal	1.826 2	16.811.464	8.250.080	26.609
20	San Diego, Cal	1.724 7	11.342.173	6.648.835	18.084
21	Denver-Boulder, Colo	1.501 8	10.710.702	6.661.323	20.099
22	Miami, Fla	1.469 2	9.803.253	6.285.750	17.471
23	Tampa-St. Petersburg, Fla	1.458 1	8.744.183	5.159.388	14.286
24	Seattle-Everett, Wash	1.447 5	10.709.669	6.504.180	19.705
25	Milwaukee, Wis	1.412 3	10.230.471	5.176.000	20.981
26	Riverside-San Bernardino-Ontario, Cal	1.394 7	9.590.923	5.217.108	18.947
27	Cincinnati, O	1.378 2	11.067.280	5.170.946	22.895
28	Phoenix, Ariz	1.307 6	8.437.300	5.711.768	18.153
29	Buffalo, N.Y	1.294 1	7.246.198	4.155.122	15.968
30	Kansas City, Mo.-Kan	1.286 1	9.746.270	5.405.883	20.614
31	San Jose, Cal	1.216 9	10.826.909	5.438.986	25.821
32	Portland, Ore	1.149 8	8.236.633	5.142.687	18.978
33	Indianapolis, Ind	1.146 9	8.206.768	4.913.639	20.374
34	New Orleans, La	1.133 2	7.582.624	4.097.342	19.670
35	Columbus, O	[illegible]	7.746.855	4.296.912	20.413
36	Hartford-New Britain-Bristol, Conn	1.055 0	7.732.165	3.844.860	21.006
37	San Antonio, Tex	1.028 0	6.061.536	3.419.509	18.073
38	Rochester, N.Y	956 3	6.192.519	3.455.815	18.652
39	Sacramento, Cal	955 0	8.927.318	4.052.427	25.801
40	Fort Lauderdale-Hollywood, Fla	904 1	6.917.855	4.645.928	18.937
41	Louisville, Ky	880 3	5.653.756	3.399.915	18.446
42	Memphis, Tenn	879 3	5.324.720	3.230.259	18.342
43	Providence-Warwick-Pawtucket, R.I	851 0	5.454.947	2.698.928	17.962
44	Salt Lake City-Ogden, Utah	837 2	5.017.392	3.224.594	18.521
45	Dayton, O	827 7	5.183.996	2.981.744	17.907
46	Birmingham, Ala	825 1	4.889.325	3.133.604	16.779
47	Bridgeport-Stamford-Norwalk-Danbury, Conn	808 8	7.439.813	3.191.618	26.392
48	Norfolk-Virginia Beach-Portsmouth, Va	802 9	4.829.052	2.545.276	18.481
49	Albany-Schenectady-Troy, N.Y	791 8	4.697.419	2.701.663	16.362
50	Nashville-Davidson, Tenn	784 3	5.586.946	3.216.961	20.294
51	Greensboro-Winston-Salem-High Point, N.C	781 8	$4.923.364	$2.998.878	$17.968
52	Toledo, O	781 5	6.045.031	2.948.632	22.290
53	Oklahoma City, Okla	779 9	5.407.531	3.538.689	18.557
54	New Haven-Waterbury-Meriden, Conn	756 9	5.157.132	2.662.613	19.344
55	Honolulu, Hawaii	711 9	5.166.433	2.840.932	29.985
56	Jacksonville, Fla	708 2	3.848.745	2.452.926	15.684
57	Worcester-Fitchburg-Leominster, Mass	665 7	4.064.562	2.140.092	17.565
58	Akron, O	655 4	4.149.586	2.411.996	18.345
59	Gary-Hammond-East Chicago, Ind	641 9	3.982.053	2.358.089	18.564
60	Syracuse, N.Y	639 7	3.689.343	2.165.646	16.793
61	Northeastern Pennsylvania	633 2	3.613.288	2.168.638	15.494
62	Tulsa, Okla	630 2	3.862.824	2.678.819	16.340
63	Allentown-Bethlehem-Easton, Pa	629 2	4.261.024	2.290.308	18.502
64	Orlando, Fla	617 4	3.872.662	2.634.673	17.484
65	Richmond, Va	606 2	3.936.950	2.394.098	18.579
66	Charlotte-Gastonia, N.C	600 3	3.896.348	2.472.653	18.869
67	Springfield-Chicopee-Holyoke, Mass	598 2	3.634.572	1.896.554	17.291
68	Grand Rapids, Mich	595 1	4.844.329	2.383.908	24.295
69	New Brunswick-Perth Amboy-Sayreville, N.J	582 7	5.113.637	2.132.385	26.971
70	Omaha, Neb	573 8	3.759.633	2.109.587	18.931
71	Jersey City, N.J	567 2	4.122.827	1.365.081	18.843
72	Youngstown-Warren, O	544 6	3.284.196	1.885.872	17.629
73	Greenville-Spartanburg, S.C	537 9	3.168.430	1.810.090	16.989
74	Wilmington, Del	520 6	3.714.191	489.664	21.115
75	Flint, Mich	514 3	3.488.082	2.873.875	20.530
76	West Palm Beach-Boca Raton, Fla	504 3	3.572.071	2.333.760	17.657
77	New Bedford-Fall River, Mass	492 7	2.720.625	1.475.717	15.259
78	Raleigh-Durham, N.C	488 7	3.497.155	1.916.875	20.829
79	Long Branch-Asbury Park, N.J	487 1	4.192.412	1.893.356	25.332
80	Fresno, Cal	487 0	3.418.324	1.996.226	20.143
81	Oxnard-Simi Valley-Ventura, Cal	485 4	3.921.003	1.726.610	24.975
82	Austin, Tex	481 1	3.455.625	1.874.860	20.303
83	Tucson, Ariz	465 7	3.252.588	1.882.207	19.465
84	Paterson-Clifton-Passaic, N.J	459 0	2.656.783	1.621.124	16.082
85	Knoxville, Tenn	454 8	3.460.375	1.852.119	21.190
86	Lansing-East Lansing, Mich	454 1	2.853.791	1.702.627	18.899
87	Baton Rouge, La	444 3	2.670.305	1.687.349	18.647
88	El Paso, Tex	443 8	1.851.083	1.523.677	13.661
89	Tacoma, Wash	438 9	2.869.143	1.574.594	17.910
90	Mobile, Ala	434 6	2.111.941	1.444.804	14.769
91	Harrisburg, Pa	430 8	3.859.424	1.794.269	24.535
92	Albuquerque, N.M	426 2	2.370.508	1.744.900	16.690
93	Johnson City-Kingsport-Bristol, Tenn	409 9	1.896.604	1.407.483	13.153
94	Chattanooga, Tenn	408 8	2.222.998	1.444.818	15.331
95	Canton, O	404 9	2.376.852	1.543.384	16.798
96	Charleston, S.C	389 5	2.409.978	1.297.339	19.983
97	Wichita, Kan	388 3	2.433.706	1.699.839	17.211
98	Fort Wayne, Ind	381 2	2.658.552	1.519.271	20.095
99	Columbia, S.C	376 0	2.364.144	1.406.306	19.603
100	Davenport-Rock Island-Moline	374 5	2.903.610	1.541.998	21.685

Profiles of top 100 markets in U.S: Population, income, growth trends

In this special section, ADVERTISING AGE presents a retrospective report on significant developments in each of 100 top Standard Metropolitan Statistical Areas in 1979, together with indications of some of the probabilities for 1980. The SMSAs covered in this report were the 100 leaders in the most recent census estimates. The profiles have been grouped according to nine official regions and arranged alphabetically within those regions.

Each profile is preceded by four items of information: The official Census Bureau population estimate for July 1, 1978; rank; total personal income for 1977 as estimated by the Bureau of Economic Analysis of the Department of Commerce, and the per cent of change in total personal income for 1977 compared with 1976 according to the same source.

Other sometimes more recent unofficial statistics used in some profiles are normally attributed to local sources. Also included in the report is a table based on Department of Commerce statistics showing per capita personal income growth for each SMSA and two tables using estimates by Marketing Economics Institute Ltd.—one estimating population for Jan. 1, 1979, the other giving 1978 estimates of disposable income, per household income and retail sales.

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We particularly acknowledge the cooperation of Marketing Economics Institute Ltd., which made available its important projections of population and retail data not otherwise available.

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New England

Boston

Population	3,887,800
Rank	6th
Personal income	$29,585,000,000
Income '77 vs. '76	+9.59%

Boston is entering its 350th year with a phenomenal wave of growth. In spite of the city's 14,000,000 sq. ft. of prime office space constructed in the '70s, less than 1.7% of the Class A space is vacant.

And it's not about to stop. Some 4,400,000 sq. ft. of privately financed office space and an additional 1,500,000 sq. ft. of federal office space are planned for the next four years.

This not only signifies what's going on in Boston, it directly applies to an estimated 10,000 construction jobs leading to some 30,000 permanent positions.

The job market in Boston has been unique since the post WW II manufacturing and shipping slump forced the industry focus to high-grade service activities. The service industry growth has tacked on 60,000 new jobs since 1960, replacing the 34,000 manufacturing jobs lost. More recently, some 4,000 manufacturing jobs were created or added in 1976-77.

- That year brought more than jobs. It brought tourism. The tourist boom fell off slightly during '79 due to fuel shortages, but seems to be surging back, with the city an active convention center in addition to a high-technology terminal.

Only hotel space is wanting, and currently 25 hotel proposals await the city's approval, with an estimated 10 beginning construction in the next four years.

In addition to a new proposed hotel and convention center in downtown Boston, the city hopes to double the existing John B. Hynes Auditorium for even more convention space.

Conventioneers and assorted other tourists spend lots of money in Boston, not just in hotels, but in the stores and market areas.

Flanking Yale University is New Haven's Church on the Green.

- Downtown Crossing, a mall-like treatment of Washington St. past such retail landmarks as Jordan Marsh, Filene's and Barnes & Noble, is finished, and retailers in the area have already noted rising sales. Faneuil Hall and its neighboring waterfront continues to prosper, with the new North Building enjoying full occupancy.

But the waterfront is not the only place to be restored. The Boston theater district and adjacent Tufts/-New England Medical Center, is having a facelift. And theater and medicine are vital parts of the city's economic development. Some $20,000,000 in revenues are generated by theater in Boston, and one in six jobs is related to the combined fields of medicine and education.

The theater district restored the old Savoy into the new home of the Boston Opera Co. (Sarah Caldwell *et. al.*) and the revitalized Music Hall will open in '80 as a performing arts center. Some estimate that as much as $100,000,000 of public and private investment will be poured into the theater district in the upcoming decade.

And Boston's medical expansion is not far behind. Massachusetts General Hospital plans a $25,000,000 ambulatory care facility, and Tufts/New England slated $40,000,000 for a pediatric wing, in addition to a National Nutrition Center jointly being developed by the medical center (Tufts/New England) and the U.S. Department of Agriculture.

The new JFK Library is a potentially important stop for tourists as well as scholars, but the location, near the University of Massachusetts, in the racially tense Columbia Point area, presents a problem. In time the site may prosper but right now it is far from the beaten tourist paths, and is reachable only by bus, trolley, or a $5-plus cab ride from downtown.

- Condo conversion continues to cut into the already tight supply of rental housing. During the past five years, rehabilitation has been particularly active along the waterfront in the South End. In the immediate future, new condo conversions are likely to involve sites currently used for warehouses in the Fort Point Channel district.

The media mix took a new twist during the year when Universal Subscription Television began offering scrambled-signal tv on channel 68.

Boston watches with mixed feeling the efforts to open Georges Bank, the area's richest fishing territory (18% of the nation's fish) for oil exploration. The threat to fishing is a major matter of concern. But so is the shortage of heating oil, and the rapidly escalating price of available supplies.

- Many area residents fear that Lt. Gov. Tom O'Neill's endorsement of Ted Kennedy as a Presidential nominee will cost the Bay State President Carter's support on issues which could ease the heating oil problem. In November, with gasoline allocations down 11%, odd-even rules seemed to be on the way back.

Air deregulation has brought nine new airlines to Logan International, including six commuter lines. With passenger traffic up

16%, 1,000 new jobs have been created at the airport.

Nearby Lowell has had an increase of several thousand jobs this year, reflecting new industries and the expansion of many that were already established there. Retail sales in Lowell have been running 12% to 15% ahead of last year.

Bridgeport-Stamford-Norwalk-Danbury, Conn.

Population	808,400
Rank	47th
Personal income	$7,809,000,000
Income '77 vs. '76	+11.08%

The corporate exodus from Manhattan to Fairfield County, under way for the past 10 years, shows no signs of slowing down. Just how important the county has become in corporate relocation thinking is demonstrated by the intense competition for media outlets.

Ten companies—among them a subsidiary of Cox Broadcasting, Cablevision of Connecticut (partly owned by Scripps-Howard Broadcasting) and Fairfield County Cable Communications (80% owned by Storer Broadcasting)—applied to the Connecticut division of public utility control for the catv franchise to serve 120,000 homes in Darien, Easton, Greenwich, New Canaan, Norwalk, Stamford, Weston, Westport and Wilton. Catv industry representatives call the region one of the best franchise territories left in the country.

Along with the new home office influx have come huge shopping centers (currently in the works is an 800,000-sq.-ft. regional development in Stamford, to contain Macy and J.C. Penney outlets) and large-scale housing (middle-management people are hard put to find suitable dwellings at figures they can handle).

The county's—and the state's—largest city, Bridgeport, has not been caught in the expansion backwash. The past two years have seen a continuing influx of new industry into metropolitan Bridgeport—50 plants in the city itself, 40 in the suburbs.

"Definite gains" in city/area employment figures are cited by the chamber of commerce, with retail sales holding "about even." Meanwhile, Bridgeport boosters are stepping up civic awareness of world-famed Shakespeare Theatre, suburban Stratford and the in-town Cabaret Theatre.

- Fiore Francis D'Addario, who controls a conglomerate of 20 companies (principally in construction and home heating oil), is competing with a group of women for Federal Communications Commission approval to operate the long-dormant Channel 43 in Bridgeport.

The latter applicants, incorporated under the title of Bridgeways Communications Corp., are the first group of women in the country to file for a tv license. BCC president is Laurel Vlock of Woodbridge, presently with a Sunday talk show on WTNH-TV, the Capital Cities Communications ABC New Haven affiliate.

Mindful of the enormous money potential input for the civic centers in New Haven and Hartford, Bridgeport Mayor Joseph Mandanici's administration has long-range plans for a similar facility.

While Stamford basks in the development limelight—principally because of the home office presence of Xerox, General Signal, Singer, Kennecott, Combustion Engineering, General Signal and others—Danbury and Norwalk are cultivating both corporate structures and manufacturing facilities.

Biggest office complex under way in the county presently is the $250,000,000 Merritt 7, near the Wilton/Norwalk town line. On completion, 10 buildings will have a total of 2,500,000 sq. ft.

- To the north, in Danbury, Union Carbide Corp. is to occupy by year's end or early 1980 a 1,300,000 sq. ft., worldwide headquarters building, with capacity for 3,500 employes. Company officials said they decided to move out of New York to the 550-acre site off Interstate 84 after problems developed in trying to persuade employes to relocate to New York.

Long-entrenched in the county, Stratford's Sikorsky division of United Technologies Corp. is banking on a burgeoning civilian market for helicopters; the company is a major supplier of military helicopters.

Marketed for nonmilitary use is the medium-size, 12-passenger S-76, selling for $1,100,000.

Existing industry is in an expansion mood, too. Acco (American Chain & Cable Co.), long situated on Bridgeport's Connecticut Ave., announced plans for a new $2,000,000 headquarters building in Trumbull. The manufacturing operations will continue in Bridgeport, however.

Area planners and business officials asked the state legislature to authorize $50,000 for an in-depth study of the county's housing situation, particularly as it applies to people with respectable incomes who are unable to buy a house.

The Southwestern Area Commerce & Industry Assn. (based in Stamford) already has a survey indicating fewer than 20% of the region's families could afford to buy a new home. The commerce association's position paper asserted: "If we do not produce workable solutions to the issue of housing availability and housing affordability in Fairfield County, then the continued economic growth of the region and the state of Connecticut will be seriously affected."

Hartford-New Britain-Bristol, Conn.

Population	1,045,300
Rank	36th
Personal income	$8,148,000,000
Income '77 vs. '76	+9.66%

In just a few more weeks, Hartford's Civic Center Coliseum will be back in operation, and the whole community will be feeling better.

After the spectacular accident in January, 1978, when the roof collapsed in the midst of an ice storm, a temporary pall descended on local boosters who saw the Civic Center as a symbol of downtown revitalization. But enthusiasm was rekindled when businessmen joined in "The best of Hartford goes on" promotional effort to repair the damage, and it now seems likely that a busier-than-ever Civic Center Coliseum will be back in action in February.

Downtown Hartford continues its facelift. Accord has been reached on a skywalk and a three-story glass and steel "mixmaster" covering Temple St., and joining a number of new buildings (thanks to a $1,890,000 federal grant). Private developers are picking up the tab for two pedestrian bridges connecting the "mixmaster" with such structures as the new $25,000,000 Chase office tower, going up atop the Church St. municipal garage.

The Richardson building off Main St. (the former Brown-Thomson department store), now being remodeled to include 120 luxury apartments, ties into the skyway web, and Sage-Allen is investing "several hundred thousand dollars" on renovations in sections of its downtown department stores which also connect to the "mixmaster."

- Specialists, like Farley & Co., a major real estate company, continue to see a tight office space outlook in downtown Hartford, so office construction continues.

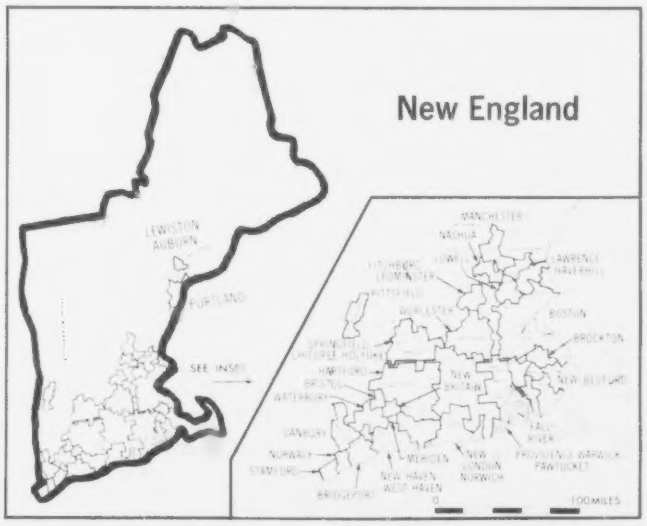
In addition to his project atop the municipal garage, David Chase is planning a $50,000,000 office tower, with hotels or apartments, in the block bounded by Trumbell, Church and Pratt Sts., facing the civic center. One block south, Allen Hartensky proceeds with development of 700 sq. ft. of rentable space.

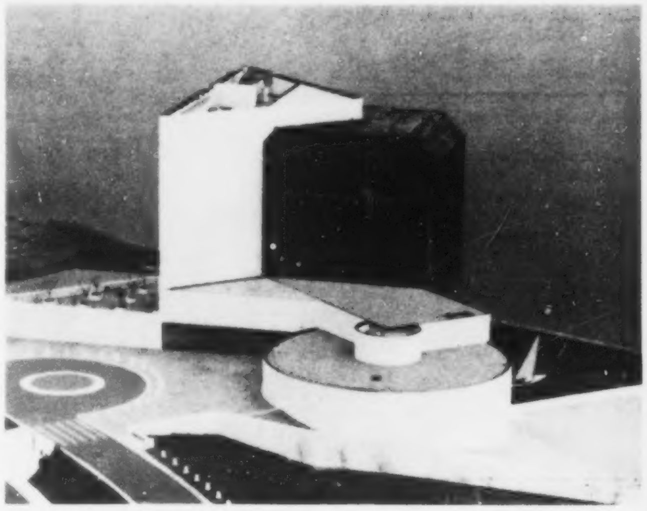
Hartford's downtown Union railroad station will be renovated into a multipurpose transportation center, thanks to a $4,500,000 federal grant covering 85% of the cost. On the northern edge of downtown Hartford, nine acres of land and freight yards were recently acquired by West Hartford's Freight House Market Associates for development as a marketplace for foods, restaurants and commercial activity similar to Boston's highly successful Quincy marketplace.

On the West Hartford/-Farmington town line, the five-year-old Westfarms Mall, the largest enclosed mall in Connecticut, will be expanding, with Lord & Taylor shifting from downtown West Hartford to become its fourth anchor store.

The newly built Loehmann's Plaza, with Loehmann's as its anchor, has just opened off Farmington Ave., Farmington, just across the street from the University of Connecticut Health Center.

- The two other new malls are in the development stage in Farmington. One, by developer Richard Bronson, between Farmington Ave., and Middle and South Rds., would contain such high-fashion outlets as Bloomingdales and Saks Fifth Avenue, not now represented in metropolitan Hartford.





New addition to the Boston skyline is the John Fitzgerald Kennedy Memorial Library, dedicated in 1979.

With Quarterback Roger Staubach and center line backer Richard F. Breunig of the Dallas Cowboys as partners, Richard Gordon began formulating plans for Farms Springs Office Park near I-84 in Farmington, abutting New Britain and Bristol.

- In Manchester, the development focus is on a proposal for a $100,000,000 complex in the Buckland section, which would include residences and a mall roughly three-quarters the size of Westfarm. A $20,000,000 J.C. Penney catalog warehouse, originally scheduled for May, 1980, completion, has been set back to the summer of 1981 by environmental lawsuits.

In New Britain, the much-heralded Newbrite Marketplace, largest indoor flea market in the state, is occupying 80,000 sq. ft. in Newbrite Plaza, off E. Main St. Plans are proceeding for conversion of New Britain's former main post office building off W. Main St. into a Cradle of Industry Museum.

Donald J. Wallace & Associates have taken over the former Howard Johnson's restaurant and hotel off Columbus Blvd., and renamed it the New Britain Holiday Inn. Fafair Bearing Co. is back into production after a five month labor dispute.

- Barnes Group has opened a new $3,000,000 international headquarters in downtown Bristol, and King's discount store has taken over the Farmington Ave. space, formerly occupied by Mammoth Mart (following merger of the two organizations).

The Bristol Red Six, a Boston Red Sox farm team, remains in town after signing with the park commission to use the town-owned Muzzy field.

State officials have announced plans to use $55,000,000 of bond issue revenues, plus a roughly equal sum from the federal government, to speed up renovation of Bradley International Airport, halfway between Hartford and Springfield, Mass. Airlines and others who lease space are also expected to absorb some of the cost.

- Some local boosters say the bright outlook here is symbolized by the decision of the Times Mirror Co., Los Angeles, to pay $105,600,000 for *The Hartford Courant*, but smaller local media were less gracious, and some of them did their best to throw antitrust sand into the purchase machinery.

For the community as a whole, the biggest shocker of the year was the municipal scandal involving charges that ranking police, fire and civil service officials took bribes from city workers seeking jobs or promotion.

New Bedford-Fall River, Mass.

Population	472,100
Rank	82nd
Personal income	$2,913,000,000
Income '77 vs. '76	+9.43%

New Bedford has nearly rounded the corner in its vast urban development program, and sister-city, Fall River, isn't too far behind.

While Fall River's waterfront restoration is beginning to materialize from the drawing board, where it was born as early as 1959, New Bedford's waterfront is fast becoming prosperous and quaint.

In restoring its downtown area and waterfront, New Bedford has capitalized on its past glory of being a whaling capital and early stronghold of American wealth. The fishing fleet grew in the last year by 20 vessels, but it was the ferry service from the area to Martha's Vineyard that offered the biggest outside boost to the economy.

- The New Bedford ferry is fed by the local transit service with a 25¢ ride from the municipal garage, which charges under $2 a day for parking.

The area's architecture has been nicely adapted to meet current needs. Freestones, a restaurant in the gas lamp decorated downtown section, is in a former bank, with dining rooms in the tellers' area and in the board room.

A block away, the Vault offers fare in, of course, an old bank vault, combining stately architecture with more contemporary trappings.

- The biggest disappointment in the downtown growth was the expected Howard Johnson motor lodge/hotel, which recently was shelved. The old New Bedford Hotel has been converted into elderly housing, and the area is looking for a hotel—something the Howard Johnson would have solved. But the local chamber of commerce is accepting bids and offers from other chains.

Other construction in the area meanwhile, is thriving. The New Bedford Industrial Park added an 18,000 sq. ft. marine supply facility called Edson. The Polaroid Corp. plant in the park expanded to the tune of $1,000,000. At Southeastern Massachusetts University, there's a new 99,000 sq. ft., $5,530,000 art department building.

Unemployment dropped a re-

(Continued on Page 4)

Per capita personal income growth: 1969-1976

Source: Bureau of Economic Analysis, U.S. Department of Commerce

	1969	1977	Per cent increase
Houston, Tex	3,760	8,247	119
Mobile, Ala	2,702	5,758	113
Fresno, Cal	3,729	6,968	112
Birmingham, Ala	3,233	6,812	110
Flint, Mich	3,839	8,073	110
Albuquerque, N.M	3,147	6,592	109
Baton Rouge, La	3,180	6,649	109
Tulsa, Okla	3,544	7,383	108
Wash., D.C.-Md.-Va	4,558	9,306	104
Denver-Boulder, Colo	3,942	8,050	104
Memphis, Tenn	3,177	6,465	103
Knoxville, Tenn	2,986	6,063	103
Wichita, Kan	3,642	7,418	103
Salt Lake City-Ogden, Utah	3,178	6,466	103
Jacksonville, Fla	3,218	6,536	103
Harrisburg, Pa	3,631	7,340	102
Columbia, S.C	3,190	6,448	102
Greenville-Spartanburg, S.C	3,089	6,252	102
Charleston, S.C	2,809	5,619	100
Pittsburgh, Pa	3,743	7,487	100
Oklahoma City, Okla	3,465	6,932	100
Little Rock, Ark	3,404	6,810	100
Portland, Ore	3,950	7,875	99
Phoenix, Ariz	3.599	7,174	99
Northeast Penn	3,153	6,260	98
Raleigh-Durham, N.C	3,453	6,850	98
Kansas City, Mo	3,973	7,883	98
Allentown-Bethlehem-Easton, Pa	3,661	7,232	97
Richmond, Va	4,008	7,897	97
Tampa-St. Petersburg, Fla	3,263	6,406	96
Austin, Tex	3,159	6,212	96
Nashville-Davidson, Tenn	3,390	6,647	96
San Jose, Cal	4,397	8,632	96
Louisville, Ky	3,715	7,300	96
Chattanooga, Tenn	3,199	6,265	95
Orlando, Fla	3,343	6,535	95
Gary-Hammond, Ind	3,774	7,376	95
Greensboro-High Point-Winston-Salem, N.C	3,601	7,054	95
West Palm Beach-Boca Raton, Fla	4,035	7,878	95
New Orleans, La	3,500	6,801	94
Johnson City-Kingsport-Bristol, Tenn	2,789	5,426	94
Jersey City, N.J	3,852	7,507	94
Detroit, Mich	4,395	8,535	94
Charlotte-Gastonia, N.C	3,642	7,050	93
Miami, Fla	4,010	7,755	93
San Antonio, Tex	3,123	6,007	92
Lansing-East Lansing, Mich	3,676	7,073	92
Toledo, O	3,807	7,312	92
Fort Lauderdale-Hollywood, Fla	4,071	7,834	92
New Brunswick, Sayreville, Perth Amboy, N.J	4,169	7,993	91
Atlanta, Ga	3,834	7,352	91
Seattle-Everett, Wash	4,412	8,457	91
Dallas-Fort Worth, Tex	4,036	7,704	90
Riverside-San Bernardino-Ontario, Cal	3,374	6,418	90
Youngstown-Warren, O	3,700	7,037	90
San Francisco-Oakland, Cal	4,861	9,260	90
Milwaukee, Wis	4,153	7,908	90
Tuscon, Ariz	3,317	6,317	90
St. Louis, Mo	3,941	7,524	90
Norfolk-Virginia Beach-Portsmouth, Va	3,228	6,111	89
Sacramento, Cal	3,749	7,119	89
Cincinnati, O	3,838	7,272	89
Minneapolis-St. Paul, Minn	4,235	8,021	89
Providence-Warwick-Pawtucket, R.I	3,663	6,850	87
Columbus, O	3,626	6,798	87
Tacoma, Wash	3,778	7,079	87
Grand Rapids, Mich	3,725	6,977	87
Los Angeles-Long Beach, Cal	4,495	8,429	87
Anaheim-Santa Ana-Garden Grove, Cal	4,334	8,116	87
Cleveland, O	4,463	8,315	86
Indianapolis, Ind	4,046	7,563	86
Baltimore, Md	3,876	7,155	84
Omaha, Neb	3,778	6,986	84
New Bedford-Fall River, Mass	3,381	6,226	84
Oxnard-Simi Valley-Ventura, Cal	3,622	6,667	84
Canton, O	3,636	6,704	84
Akron, O	3,757	6,936	84
Albany-Schenectady-Troy, N.Y	3,753	6,887	83
Long Branch-Asbury Park, N.J	4,292	7,863	83
Chicago, Ill	4,642	8,522	83
Buffalo, N.Y	3,807	6,980	83
Las Vegas, Nev	4,250	7,735	82
Paterson-Clifton-Passaic, N.J	4,074	7,449	82
Philadelphia, Pa	4,066	7,436	82
Honolulu, Hawaii	4,365	7,950	82
Newark, N.J	4,761	8,632	81
Worcester-Fitch-Leominster, Mass	3,708	6,742	81
Syracuse, N.Y	3,588	6,514	81
Boston-Lowell-Brockton-Lawrence, Mass	4,173	7,590	81
San Diego, Cal	3,893	7,070	81
El Paso, Tex	2,805	5,071	80
Rochester, N.Y	4,306	7,751	80
Wilmington, Del	4,380	7,918	80
Dayton, O	4,031	7,256	80
Springfield-Holyoke-Chicopee, Mass	3,660	6.546	78
Nassau-Suffolk, N.Y	4,877	8,614	76
Bridgeport-Stamford, Conn	5.578	9.676	73
New Haven-Waterbury-Meriden, Conn	4,262	7,413	73
Hartford-New Britain-Bristol, Conn	4,486	7,746	72
New York, N.Y	4,724	8.105	71

cord 2.9%, the fourth sharpest decline in the U.S. And area personal income rose a staggering 12.5% from '77 to '78. In June, 1978, the average weekly pay check in New Bedford was $191.58. By June this year, that check rose to $213.07, translating to an hourly wage increase from $4.58 to $5.34.

The municipal airport is served exclusively by Air New England, and the Alameida Bus line has gone out of business, making the area slightly more dependent on motor transport.

Fall River is just on the dawn of restoration and urban improvement with the aid of the Durfee Trust capitalization and long-awaited approval on municipal plans.

New Haven-Waterbury-Meriden, Conn.

Population	**754,600**
Rank	**54th**
Personal income	**$5,625,000,000**
Income '77 vs. '76	**+9.86%**

Although New Haven is still known by its sobriquet "Elm City," most of those elms were lost to a virulent blight some years ago. The once-flourishing 1,800-seat Shubert Theatre, for decades a key pre-Broadway tryout house, has been closed since 1976.

These descriptions might easily conjure images of a dying city. Actually, New Haven is in the grip of commercial growth on a scale never anticipated by city boosters generations back.

The closed Shubert Theatre is presently the focus of an ambitious regional arts center plan. Next door, the prestigious Hotel Taft is being converted into apartments. The federal transportation department is authorizing an additional $20,000,000 to upgrade the rail commuter route from New Haven to New York.

If current planning is brought to completion, the New Haven parking authority, now operating some 5,100 spaces—most of them in structured garages in the central business district—will nearly double the size of its facilities in the next four to five years.

And the city council's community development committee approved a proposal to study the expansion of the Veterans' Memorial Coliseum as a potential convention center.

▪ A city consultant recommended construction of a new downtown shopping mall, a 165-room hotel and the creation of special renovation, shopping and entertainment districts.

Halcyon Ltd. of Hartford warned that development is heading to the suburbs and will continue to do so unless the city begins an immediate and vigorous development effort.

The Halcyon report said the proposed mall would boost downtown retail sales from $89,500,000 in 1977 to $120,000,000 by 1985. The report added that New Haven could use two new office buildings with up to 125,000-sq.-ft. each, but warned "suburban competition will not only continue but is expected to intensify."

There was overwhelming agreement in the business community to the Halcyon findings that private enterprise, more than ever, must take the lead in preserving cities. Mayor Frank Logue announced the creation of an economic development task force, and pledged $250,000 in seed money for a banking consortium to help provide mortgages at less than the "going" rates for areas where such financing has been difficult to obtain.

The former Midtown Motor Inn, on Chapel between Park and York Sts., reopened with a new name and a new policy under a 10-man investment team. Now the Colony Inn, this downtown landmark which had been closed for five years, features French gourmet food in its LaRotisserie Normande restaurant.

▪ Yale University capped a five-year fund-raising campaign, which brought in more than $367,000,000 in cash and pledges. Yale said the campaign brought in some $65,000,000 more than any university had ever achieved before in a single attempt. Some 80% came from alumni.

Construction started on a $65,500,000 replacement facility at the Yale-New Haven hospital to replace the New Haven unit. The new building, fronting on Davenport Ave. and York St., is scheduled for completion in December, 1981.

State transportation department officials say that if all goes well, New Haven can have "a total transportation center" on the site of the former Union railroad station by late 1982. A figure of $21,000,000 is mentioned to incorporate rail, bus and taxi service into such a facility.

Adjacent space would accommodate offices or stores. Availability of federal funding is the key factor. The Washington share would be $13,600,000; the state's, $4,500,000, and the city's, $2,800,000.

▪ More malls are in the development stage outside New Haven, but it isn't always clear sailing. S. Rudy Gatto, who opened a 40-store mall in Southbury a few months ago, ran into trouble with his proposed regional project for Branford. He is scaling down the original plan which visualized six anchor stores and 400 smaller outlets and is expected to offer the revised plan in January.

Developers Fiore Francis D'Addario and Arnold Prayer are proposing a $65,000,000 mall for Milford. Hamden is considering a $100,000,000 "Magic Mile" mall, with private funding, occupying two levels atop the existing Hamden Plaza and the Hamden Mart. A prospective $150,000,000 mall in North Haven, just a few miles from downtown New Haven, worries New Haven Mayor Frank Logue.

To the north, in Meriden, posing the greatest economic promise for the immediate area over the next decade, is Med-Way, now in its early development phase, planned by F.I.P. Corp. of Farmington.

It consists of 800 acres (300 in Meriden, 500 in Wallingford), with buildings to contain 3,700,000 sq. ft. of floor space with an envisioned work force of 11,000. Major housing, to contain 2,956 units of various types, is also in the planning stages by Carabetta Enterprises of Meriden for Summitwood, a 345-acre tract just east of the Chamberlain highway.

▪ Federal, state and local officials formally announced takeover of the Chase Brass & Copper factory complex, Waterbury, centerpiece of the proposed economic revitalization of the Naugatuck Valley.

The takeover of the plant complex releases $7,500,000 in federal/state economic development funds to turn it into an upgraded industrial complex. Officials estimate that renovations at the nearly vacant brass operation could generate as many as 3,500 jobs.

The Cincinnati Reds will locate their Class AA minor league franchise in Waterbury next season.

Providence, R.i.

Population	**852,800**
Rank	**43rd**
Personal income	**$5,836,000,000**
Income '77 vs. '76	**+9.29%**

Downtown Providence continues to receive an intensive facelift. The Outlet complex is completed. The locally based Gilbane Construction Co. is handling a $2,500,000 renovation of the Arcade Bldg. City Hall is benefiting from

(Continued on Page 8)

100 MARKETS

Retail sales in 100 top markets by category

Compiled by Marketing Economics Institute's "Marketing Economics Guide"

SMSA	Group rank for total retail sales	% U.S. sales	% change 1977 vs. 1972	Food	Eating and drinking	Drug, proprietary stores	Gasoline service stations	General merchandise	Apparel, accessory stores	Furniture, home furnishings	Auto dealers	Bldg. matl., hardware, mobile homes
Los Angeles-Long Beach, Cal.	1	3.57	66.2	$6,028,868	$2,918,664	$1,014,124	$1,841,236	$3,760,940	$1,518,058	$1,530,507	$5,700,819	$1,088,417
Chicago, Ill.	2	3.43	58.9	5,073,791	2,660,092	1,022,647	1,817,443	3,702,351	1,756,263	1,269,375	5,306,147	1,063,199
New York, N.Y.	3	3.28	28.4	6,530,903	2,939,493	770,912	1,133,826	3,526,903	2,277,147	1,304,749	2,883,759	636,392
Detroit, Mich.	4	2.14	63.1	3,614,003	1,463,101	544,862	1,269,058	2,379,701	986,473	809,616	4,144,852	756,734
Philadelphia, Pa.	5	2.01	52.3	3,544,881	1,419,651	455,202	1,035,835	2,143,419	951,658	701,722	2,934,608	553,707
Boston, Mass.	6	1.75	52.3	3,127,354	1,410,708	438,201	872,458	1,796,104	839,173	537,625	2,173,421	579,952
San Francisco-Oakland, Cal.	7	1.65	70.5	2,839,920	1,472,176	562,738	763,695	1,769,290	689,928	708,725	2,417,937	499,421
Washington, D.C.-Md.-Va.	8	1.54	61.7	2,441,619	1,176,762	536,694	915,954	1,761,846	666,795	567,748	2,500,069	417,605
Dallas-Fort Worth, Tex.	9	1.34	76.0	2,139,669	923,647	354,964	707,463	1,481,409	497,037	451,427	2,665,463	418,603
Houston, Tex.	10	1.33	101.4	2,277,448	908,518	284,867	638,789	1,634,854	489,992	460,001	2,602,973	471,585
Nassau-Suffolk, N.Y.	11	1.24	43.8	2,295,364	768,014	242,350	654,042	1,363,314	554,451	455,042	1,528,893	357,070
St. Louis, Mo.	12	1.09	68.8	1,909,296	776,971	256,745	724,690	1,406,362	379,563	370,353	1,860,438	397,364
Minneapolis-St. Paul, Minn.	13	1.03	78.9	1,425,091	726,873	218,490	615,071	1,441,860	361,662	361,677	1,672,979	546,944
Anaheim-Santa Ana-Garden Grove, Cal.	14	1.03	110.2	1,582,838	838,985	233,838	531,193	1,181,473	332,803	451,500	1,728,022	511,495
Pittsburgh, Pa.	15	1.01	64.8	1,742,328	661,382	246,449	583,877	1,385,171	387,510	340,247	1,685,198	340,141
Atlanta, Ga.	16	0.96	71.1	1,453,530	710,608	222,977	578,555	1,306,917	295,188	306,258	1,610,324	406,390
Cleveland, O.	17	0.93	66.9	1,627,371	651,530	263,216	571,752	1,212,128	340,866	309,507	1,595,329	259,894
Baltimore, Md.	18	0.90	54.5	1,649,319	731,304	246,338	554,103	1,048,081	332,972	298,822	1,329,229	206,114
Newark, N.J.	19	0.83	44.9	1,648,486	584,286	170,372	452,849	633,296	418,565	352,531	1,223,090	241,528
Denver-Boulder, Colo.	20	0.83	88.7	1,335,795	663,503	170,847	401,438	913,480	310,678	329,559	1,435,507	389,462
San Diego, Cal.	21	0.83	102.1	1,273,025	649,813	204,957	435,150	1,045,272	275,045	382,980	1,341,956	435,984
Miami, Fla.	22	0.78	65.4	1,296,456	688,625	225,423	368,255	927,329	393,006	295,578	1,329,467	166,599
Seattle-Everett, Wash.	23	0.81	95.8	1,327,424	703,836	245,222	387,131	825,588	327,361	321,332	1,290,903	375,275
Phoenix, Ariz.	24	0.71	106.5	1,267,823	556,621	200,197	348,852	745,694	203,149	327,554	1,256,226	331,278
San Jose, Cal.	25	0.68	97.0	1,084,041	465,990	189,833	336,365	792,079	248,466	322,357	1,168,395	305,642
Kansas City, Mo.-Kan.	26	0.67	72.4	1,000,224	471,742	134,413	417,862	885,584	255,158	215,087	1,272,234	232,405
Riverside-San Bernardino-Ontario, Cal.	27	0.65	100.8	1,103,414	477,172	172,642	401,856	737,539	197,120	219,103	1,064,819	427,246
Milwaukee, Wis.	28	0.64	67.7	1,069,924	498,360	139,958	349,731	810,544	224,450	265,672	1,042,829	215,769
Cincinnati, O.	29	0.64	73.9	1,136,563	517,196	174,755	437,015	875,544	195,799	232,645	992,945	201,252
Tampa-St. Petersburg, Fla.	30	0.64	69.5	1,152,992	513,561	185,036	328,864	778,076	183,745	252,334	1,073,449	265,628
Portland, Ore.	31	0.64	100.2	923,985	519,885	136,198	323,208	886,680	228,651	276,795	1,084,316	237,181
Indianapolis, Ind.	32	0.61	80.6	908,873	402,121	158,211	411,595	711,962	172,724	197,665	1,071,451	230,666
Fort Lauderdale-Hollywood, Fla.	33	0.58	112.0	1,064,464	526,278	161,898	269,599	687,716	235,953	262,834	828,413	164,248
Columbus, O.	34	0.53	69.6	837,760	412,365	113,673	326,187	705,371	167,760	194,364	975,281	194,394
Buffalo, N.Y.	35	0.52	49.4	1,024,102	396,768	161,462	239,989	656,069	211,892	161,110	827,431	154,029
New Orleans, La.	36	0.51	73.2	1,040,247	404,157	143,740	231,957	617,209	264,936	181,033	750,787	147,306
Sacramento, Cal.	37	0.50	101.2	883,790	379,878	157,496	278,098	554,002	160,110	216,850	860,719	264,171
Hartford-New Britain-Bristol, Conn.	38	0.48	59.0	879,575	359,141	131,847	296,246	495,483	202,419	152,235	657,292	164,358
Oklahoma City, Okla.	39	0.44	92.5	713,673	314,787	68,830	203,325	478,903	228,164	168,848	902,221	190,732
Rochester, N.Y.	40	0.43	54.7	789,868	275,367	124,852	222,666	431,366	142,454	129,955	738,501	151,362
San Antonio, Tex.	41	0.42	84.5	674,526	343,642	76,509	214,647	589,855	165,350	160,139	785,881	167,605
Louisville, Ky.	42	0.42	68.6	717,206	321,345	111,860	275,709	510,537	137,430	160,913	729,011	165,634
Memphis, Tenn.	43	0.40	64.8	692,899	238,572	93,400	256,977	474,833	168,030	145,770	758,976	134,416
Salt Lake City-Ogden, Utah	44	0.40	91.4	627,242	245,080	91,630	226,977	483,275	129,394	190,497	746,653	212,448
Nashville-Davidson, Tenn.	45	0.40	86.2	651,478	267,508	93,098	255,701	429,299	141,655	134,934	830,215	151,051
Bridgeport-Stamford-Norwalk-Danbury, Conn.	46	0.40	55.4	703,296	245,512	84,208	216,977	348,462	192,117	149,927	515,525	179,623
Birmingham, Ala.	47	0.39	81.6	697,836	224,354	93,267	213,503	409,953	197,908	134,733	744,208	156,032
Greensboro-Winston-Salem-High Point, N.C.	48	0.37	77.9	607,955	233,523	96,511	224,392	368,779	152,507	157,229	691,716	167,073
Dayton, O.	49	0.37	59.5	616,898	267,889	63,418	259,892	509,664	101,372	142,205	645,975	132,007
Toledo, O.	50	0.36	67.2	629,959	277,890	82,229	266,054	446,047	107,525	120,660	671,733	121,881
Flint, Mich.	51	0.36	133.7	440,228	165,409	309,783	157,187	357,307	98,649	107,220	597,015	115,748
Honolulu, Hawaii	52	0.35	88.4	503,947	433,266	152,461	136,053	605,874	171,783	79,944	396,195	50,903
Albany-Schenectady-Troy, N.Y.	53	0.33	53.3	635,842	245,615	77,289	189,320	349,180	139,954	99,486	485,826	123,265
Providence-Warwick-Pawtucket, R.I.	54	0.33	44.1	616,730	234,734	91,459	199,254	334,572	138,777	102,150	454,314	130,248
Tulsa, Okla.	55	0.33	105.5	578,205	199,309	56,067	165,978	342,137	164,265	133,784	675,400	157,894
New Haven-Waterbury-Meriden, Conn.	56	0.33	49.3	640,148	241,891	74,750	197,625	363,790	146,828	115,670	435,802	106,599
Orlando, Fla.	57	0.33	90.9	535,213	226,077	84,686	224,330	359,231	81,889	110,391	635,973	124,809
Norfolk-Virginia Beach-Portsmouth, Va.	58	0.31	74.3	540,992	216,257	74,387	179,646	398,061	128,579	121,838	580,295	109,760
Charlotte-Gastonia, N.C.	59	0.30	70.9	524,968	181,413	84,187	154,703	358,298	128,884	107,392	614,338	125,467
Jacksonville, Fla.	60	0.30	54.4	507,340	198,068	107,970	214,605	280,158	103,695	91,916	608,730	106,392
Akron, O.	61	0.30	61.8	560,283	221,051	61,624	188,049	356,645	[illegible]	90,836	499,458	170,807
Richmond, Va.	62	0.30	72.2	489,215	199,800	87,666	233,661	320,477	[illegible]	102,834	477,911	85,679
Grand Rapids, Mich.	63	0.29	74.9	413,437	205,919	34,999	157,082	[illegible]	[illegible]	129,709	532,410	158,353
Gary-Hammond-East Chicago, Ind.	64	0.29	72.5	540,559	205,126	91,592	216,829	306,909	[illegible]	106,601	503,239	111,226
West Palm Beach-Boca Raton, Fla.	65	0.29	96.0	535,091	191,482	84,574	140,241	276,103	130,326	139,654	472,926	137,353
Allentown-Bethlehem-Easton, Pa.	66	0.28	69.0	536,956	181,218	65,361	164,257	332,961	87,911	100,202	413,982	104,928
Northeastern Pennsylvania	67	0.27	55.7	513,224	177,124	70,114	150,752	330,461	95,923	89,210	375,654	110,310
Syracuse, N.Y.	68	0.27	58.3	558,678	194,437	110,699	144,827	254,354	109,930	88,924	440,067	86,153
Worcester-Fitchburg-Leominster, Mass.	69	0.26	54.3	506,190	171,169	65,962	153,873	286,121	98,544	86,025	359,535	92,847
New Brunswick-Perth Amboy, N.J.	70	0.26	57.0	521,354	176,872	52,692	161,203	355,512	142,420	83,794	284,603	89,427
Omaha, Neb.	71	0.26	67.0	408,119	220,879	71,122	157,113	353,982	89,795	129,859	447,596	82,432
Fresno, Cal.	72	0.25	104.2	435,234	164,616	96,049	135,992	257,821	82,897	105,353	427,529	128,961
Wilmington, Del.	73	0.24	59.4	424,550	159,240	69,613	155,584	302,108	91,717	101,773	351,003	94,416
Raleigh-Durham, N.C.	74	0.24	80.1	416,002	162,112	56,485	152,504	288,969	98,012	82,575	401,985	87,432
Springfield-Chicopee-Holyoke, Mass.	75	0.23	53.1	464,245	165,327	55,686	143,323	220,779	94,840	66,855	309,082	100,755
Long Branch-Asbury Park, N.J.	76	0.23	63.9	477,504	184,006	53,642	135,372	213,339	94,437	86,856	343,893	81,283
Youngstown-Warren, O.	77	0.23	62.8	404,472	147,758	58,059	158,059	340,536	76,048	85,128	391,985	73,502
Tucson, Ariz.	78	0.23	89.4	428,370	163,194	62,867	142,940	272,588	63,253	91,099	416,522	98,136
Au[illegible] Tex.	79	0.23	103.5	377,671	195,620	44,699	119,625	191,983	112,473	91,915	441,177	130,031
Knoxville, Tenn.	80	0.23	91.7	366,352	134,912	57,089	143,763	297,502	76,218	81,547	412,376	128,441
Greenville-Spartanburg, S.C.	81	0.22	68.7	421,595	144,185	65,543	141,243	225,524	86,937	81,540	353,536	122,473
Harrisburg, Pa.	82	0.22	71.5	388,521	146,222	57,637	144,987	228,300	80,415	71,460	333,081	81,998
Albuquerque, N.M.	83	0.21	96.8	310,903	160,039	52,461	120,988	241,149	83,181	103,749	431,718	89,876
Oxnard-Simi Valley-Ventura, Cal.	84	0.21	93.1	408,651	143,899	65,733	114,285	218,377	61,468	79,237	389,844	93,082
Lansing-East Lansing, Mich.	85	0.21	68.5	315,694	148,745	29,829	128,864	303,139	79,220	72,467	420,126	87,271
Wichita, Kan.	86	0.21	91.8	302,473	157,265	38,477	110,077	241,260	97,997	77,099	422,286	103,833
Baton Rouge, La.	87	0.21	93.1	389,006	110,513	52,300	101,335	291,254	64,074	79,770	402,974	88,887
Paterson-Clifton-Passaic, N.J.	88	0.20	39.4	323,586	132,162	34,989	92,389	274,100	121,196	76,034	241,332	56,122
Tacoma, Wash.	89	0.19	95.4	302,782	143,253	52,863	116,189	219,398	62,365	81,546	356,384	93,658
Canton, O.	90	0.19	81.8	340,997	131,906	38,155	110,271	227,770	69,085	65,313	361,363	80,972
Davenport, Ia.-Rock Island-Moline, Ill.	91	0.19	83.9	287,869	131,879	53,338	130,891	231,809	61,846	69,370	340,698	93,077
El Paso, Tex.	92	0.19	91.6	272,263	126,036	40,720	89,462	287,335	94,146	89,893	329,830	71,784
Fort Wayne, Ind.	93	0.19	74.4	279,094	149,552	54,262	118,013	238,435	70,366	74,365	358,106	66,804
New Bedford-Fall River, Mass.	94	0.18	55.7	350,170	123,680	45,001	99,643	207,087	76,095	68,020	247,372	56,085
Chattanooga, Tenn.	95	0.18	62.5	308,684	104,212	44,887	122,207	197,989	64,821	59,935	338,444	80,802
Mobile, Ala.	96	0.18	87.4	335,080	119,076	43,670	105,227	201,766	62,792	58,670	327,696	90,998
Johnson City-Kingsport-Bristol, Tenn.	97	0.17	89.8	305,555	89,404	35,809	106,341	193,629	62,483	57,468	340,100	127,679
Columbia, S.C.	98	0.17	81.3	279,176	110,284	33,980	107,541	222,557	61,641	55,384	321,176	93,852
Jersey City, N.J.	99	0.17	35.3	368,207	127,876	42,963	93,862	121,396	128,496	59,369	178,758	41,923
Charleston, S.C.	100	0.16	88.3	315,691	88,953	35,808	95,153	207,231	59,079	51,529	266,436	91,413

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$2,000,000 worth of improvement. And the state court house, said to be in line last year for an estimated $15,000,000 worth of work, now is getting a $22,000,000 restoration treatment. A reported $100,000,000 is being spent in downtown Providence in building, with an unspecified $10,000,000 in assorted rehabilitation sites, according to Robert Freeman of the Providence Foundation.

The new construction involves a 40-story hotel/banquet/convention/meeting facility near the civic center; a $55,000,000 federal office building and $48,000,000 in railroad relocation.

The railroad venture involves moving the tracks from their central location near the recently renovated Biltmore Hotel to a new site near the State House, vacating about 30 acres and 3,500,000 sq. ft. of office and commercial space.

The Ocean State Theater for the Performing Arts also has been revitalized at a cost of $1,000,000 and includes an enclosed $100,000 acoustical shell.

- Properties set aside for nuclear power installations in Rhode Island have been declared federal excess and redistributed to the town of Charleston and the Department of Interior. The search for offshore oil continues, with leases issued for exploration near George's Bank. The Baltimore Canyon exploration brought in some $250,000,000 in lease sales and Ocean State residents would like to realize similar revenue from its ocean rights.

The Rhode Island Transit Authority (RIPTA) noted marked increases in its service when gas prices took off, but business leveled off as prices stabilized.

The Port of Providence has bolstered its potential with a new $2,000,000 crane to unload container traffic recently assigned to the port. And the recently expanded Green State airport is awaiting service by TWA and Pan American (if it combines with National) to join the existing American, Eastern and U.S. Air service (formerly Alleghany).

The Electric Boat Works, employing 4,500, is still the area's largest single employer, though Nabisco and Pepsi-Cola have both expanded their local operations. A positive indicator is provided by the state treasury, which showed a $48,000,000 surplus, mostly from sales taxes, for 1979.

Springfield-Holyoke-Chicopee, Mass.

Population	587,200
Rank	68th
Personal income	$3,858,000,000
Income '77 vs. '76	-9.95%

Just how important downtown revitalization is to older, medium-sized cities is being dramatically demonstrated in this western Massachusetts shopping-commercial center.

Syndicated columist Michael J. McManus has labeled the official Downtown Master Plan—prepared by Springfield Central, a spin-off of the chamber of commerce and city hall—"perhaps the most extraordinary political, economic and promotional document published by any city in decades. For it shows the private sector can take the lead in rebuilding cities."

An initial $17,000,000 has been put into a "pooled" mortgage fund from two insurance companies and 11 banks, with $11,000,000 more pledged through the continuing efforts of Springfield Central, co-chaired by David Starr, publisher of the Newhouse's Springfield Newspapers, and James Martin, chairman of Massachusetts Mutual Life Insurance Co., the country's 10th largest insurance company.

One immediate result is the largest shopping mall in western Massachusetts—the $25,000,000 Holyoke Mall at Ingleside, a development of the Pyramid Cos., DeWitt N.Y.

- The projct contains 130 stores and service units and an eight-screen cinema house to rival the well-established Showcase Cinemas eight-screen complex in West Springfield. Other results include the new Crossroads Industrial Park and a large-scale face-lift under way in downtown Holyoke proper.

Still further north, the Hampshire Mall, containing 70 stores and 20 restaurants, opened in Hadley between Northampton and Amherst.

In another project, a $3,200,000 federal grant, which helped clear a block of main street, opened the way for construction, now under way, at Springfield's long awaited Market Place office-retail mall.

The 10,000 sq. ft. of office space leased to Aetna Life & Casualty Insurance Co. is scheduled to be ready for occupancy by mid-February. The entire $6,000,000 project, symbolizing downtown revitalization in Springfield, is to be completed within a year.

- Elsewhere, Chase Manhattan Bank agreed to sell the long-shuttered Forbes & Wallace department store building in downtown Springfield to Commercial Investment Group, whose principals include Leo T. McDonnell and Jeffrey B. Carrington.

The development plan envisions use of the basement, first and second floors for retail space, the fourth through sixth floor offices and upper two levels for a health club.

Another bank, Springfield Institution for Savings, is also undertaking a project. John McP. Collins, chairman, indicated that the bank would know by year's end whether previously announced plans to build a 12-story $18,000,000 office tower over a two-story skylit retail mall will be a "go" or "no go" proposition. The complex would be second in size and scope to downtown Springfield's Baystate West.

- At the once dormant Westover Air Force base in Chicopee, meanwhile, the Westover Metropolitan Development Corp. has recruited Quabbin Industries to occupy two former hangars as the first tenant. Other available land at the Air Base may be used for greyhound racing.

Also in Chicopee, the first Rodeway Inn in New England made its formal bow with a franchise operated by Axelrod International, which is spending more than $1,000,000 for renovation and modernization of the former Treadway Inn.

Springfield's civic center has booked numerous big attractions, including the Hartford Whaler's hockey team, which would otherwise have gone to Hartford if that city's civic center were back in operation. That bonanza is due to end in early 1980.

In a move to improve the efficiency of its bookings procedures, Springfield is turning the civic center into a private, nonprofit corporation and consolidating the civic center management and the management of Symphony Hall. Storrowton Theater, the once flourishing summer music tent on the Eastern States Exposition grounds, West Springfield and debt ridden for the past two years, failed to open in 1979.

Worcester, Mass.

Population	645,100
Rank	60th
Personal income	$4,338,000,000
Income '77 vs. '76	+9.19%

Worcester, the largest municipality in central Massachusetts, smarted for generations under the entertainment/cultural "supremacy" of similarly sized cities across the six-state New England region.

Construction on the long-awaited, 13,400-seat Worcester Civic Center finally got under way after voters, in 1977, narrowly approved a $7,900,000 bond issue as Worcester's share of the total $14,900,000 in city/federal/private financing.

The bond issue passed only after the state supreme judicial court upheld a 119-vote margin and after two referendums, both containing strong arguments and renewed debate over the center's potential contribution to downtown revival.

Civic Center Commission chairman Edward C. Maher promises that the facility will "actively compete," in booking, with centers in Boston, Providence, Springfield, Mass., and Hartford, Conn.

- The center's actual in-construction status has given city boosters much to crow about. And development of such large-scale projects as the 170-acre Worcester airport industrial park and a 150-room downtown Marriott hotel has served to convince even the most die-hard cynics that Worcester can no longer be written off as "just another town" on the way to Boston.

While unemployment rolls may be an issue elsewhere, Worcester's past year's track record is slightly improved over 1978's encouraging figures; unemployment is presently at 4.2%, as opposed to last year's 4.7%.

Industrial revenue bonds (with interest running from 6% to 9%) have totaled $35,000,000 since 1974, outpacing many cities for miles around.

The city also aggressively sought to assist home-grown businesses through a small business assistant fund. "We're becoming known as 'the city of start-ups'," say Worcester area chamber of commerce economic development manager James Donoghue.

"Existing industry here is constantly encouraged to expand and to develop supplementary products through available government/private funding. This pattern reassures industry that it's not necessary to go elsewhere for, say, tool-and-die service."

- The airport industrial park's first signed tenant is European American Knitting Wear, a newcomer from West Germany, initially occupying 30,000 sq. ft. The main marketing emphasis for the park is planned for the spring, initially in the immediate region, then statewide, and, finally, nationally.

Downtown Worcester's ongoing upgrading started 1971 with the development of the Worcester Center, a major redevelopment project. The center recently lost a tenant, (a Kennedy's branch store), but the space was quickly filled by Filene's.

The labor pinch is expected to be alleviated with completion of Hwy. I-190, which will reduce commuting time from Fitchburg, 19 miles to the north, from an hour to just over 20 minutes.

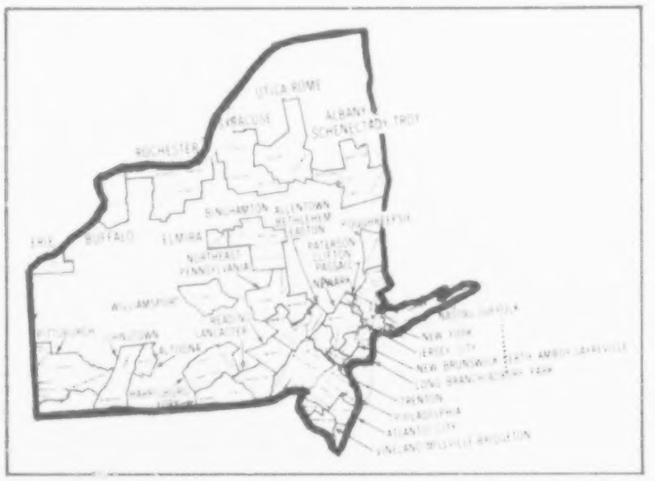
Also contributing to the bouyant mood are area-wide increases in retail sales and housing over 1978.

Energy is something else. Over and above the continuing jump in area supply prices, the energy situation is significantly boosting the value of inner city residential properties. Worcester is in the middle of heating-oil country and consumers will be hard hit by increasing oil prices.

- However, the municipal energy committee is not sitting back. An advisory committee of gasoline-station owners and distributors was formed to better coordinate retail gasoline supply/sales. The municipal administration has urged caution on the part of consumers and business alike.

City manager Francis J. McGrath started detailed planning months ago in anticipation of heating-oil problems this winter. "The major impact so far in the Worcester area," Mr. McGrath emphasizes, "has been one of cost rather than supply, and the city's efforts are primarily directed at conservation and alternative strategies."

Middle Atlantic



Albany-Schenectady-Troy

Population	792,300
Rank	49th
Personal income	$5,470,000,000
Income '77 vs. '76	+7.89%

Downtown development continued to move ahead in the Albany-Schenectady-Troy market during 1979, marked by the completion of some projects begun in 1978 and the posting of new plans for 1980.

After several months delay, construction of the $16,000,000 Hilton hotel is under way on the site of the former TenEyck hotel. Plans for the hotel, first announced in 1978, call for the creation of 400 rooms, which may enhance the city's bid for conventions.

In another effort to accommodate visitors in the Albany area, expansion of the airport's runways and terminal is being considered. The desire for improved facilities to handle traffic, baggage and ticket sales comes at a time when Eastern and Braniff airlines are adding the Albany route to their schedules and TWA is considering the same.

Complementing the activity at the airport is what Jim Grant, manager of community development, describes as "perhaps the biggest news in this district: The Port of Albany." Cibro Inc. just completed a $20,000,000 cracking plant at the port for the refining of crude oil, which will increase the volume of petroleum products moving through the port.

- Also under way at the port is the restoration of the original draft of the Hudson River channel, which will include rebuilding the dock on the Rensselaer side, destroyed by fire 10 years ago.

Two other developments in the area are the proposed $50,000,000 Crossgates shopping center, now being reviewed at state level, and the purchase of the New York Eagles soccer team from the city of Mount Vernon.

Although Crossgates still is far from final approval, the Eagles now have one full season and a lot of notoriety behind them. Businessman and realtor Prenk Curanaj bought the American Soccer League franchise two years ago, but, as one local sportsman put it, "got off on the wrong foot."

In its first full season at Albany, the team had a financial loss of over $400,000, which team management defends as being down from the preceding season's loss of $650,000.

Average attendance at last year's games was only 2,000, but Albany fans aren't blamed for the lackluster showing. Its ad agencies dropped the Eagles two weeks before the first game, reportedly for nonpayment.

Other snafus, according to the local papers, included failure of management to print opening day tickets until the night before the game and tardiness in paying some team members, who consequently jumped ship. Still, the Eagles are expected back this year as, all evidence not withstanding, Mr. Curanaj's problems do not include lack of cash.

- Troy's downtown's Atrium shopping mall, completed last fall, is 80% occupied. At the time of completion, the Atrium was expected to be 95% occupied by March, 1979. Likewise, the Atrium's connecting sister center, the Bazaar, was expected to be 100% occupied by this fall. Instead, the Bazaar now contains only one fully renovated floor (out of five) and houses only two stores out of a potential 30.

Renovation is going ahead on the Bazaar now. It is believed that neither the Bazaar nor the Atrium have lacked applicants for space, but that the stores applying have not met with developer Carl Grimm's requirements. Mr. Grimm is looking for stores that would compliment those already in the center rather than duplicate or detract from them.

- Ardex is a shopping center being built outside Troy's downtown area. Three to four miles away on Pawling Ave., Ardex is a neighborhood center with food and drug stores rather than specialty boutiques and department stores.

CBS Sports Inc., a Bennington, Vt., manufacturer and retailer of sports apparel, is adding a plant in nearby Cohoes. The facility is expected to employ over 100 and will

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be located in a renovated textile plant.

Rensselaer Polytechnic Institute captured its share of local notice in 1979 with the completion of a new computer center, part of Project 2000, a long range development program for the school.

■ In Schenectady, retailing and entertainment played an important role in 1979. In addition to the 400 Block development, which is a multi-million-dollar revamping of retail in the downtown section of the city, another project called Center City is being proposed.

Center City's usage would be twofold. Part of the project would be for public gatherings (with facilities for conventions, concerts, skating) with the other part for private business.

Already finished within the 400 Block for entertainment is Proctor's Theater, renovated to accommodate touring symphonies, ballet companies and touring Broadway shows.

Allentown-Bethlehem-Easton

Population	625,000
Rank	63rd
Personal income	$3,148,000,000
Income '77 vs. '76	+9.72%

In the Lehigh Valley, steel, concrete, slate and agricultural products, as well as brewing, are the economic nucleus of the Allentown-Bethlehem-Easton (A-B-E) market on the eastern edge of Pennsylvania.

■ The state Department of Labor and Industry reports that in mid-year, 1979, the A-B-E labor market chalked up a seaonally adjusted unemployment ratio of 6.2% compared to 6.9% a year earlier. Tourism suffered here less than in many areas because the region is within a one-tank-round-trip of New York City and Philadelphia.

Retail merchants in the three cities are pleased with sales in the downtown areas, but there reportedly is a softening in the suburban malls due to the gasoline crunch. But over-all, they say, the energy problem has "not really" affected the area. A national housing mortgage insurance company has rated A-B-E one of the top 10 markets in the U.S.

On the horizon, the International Minerals & Chemical Corp., Northbrook, Ill., is planning a $7,000,000 formaldehyde plant at Seiple, a community near Allentown.

The area is world headquarters for Bethlehem Steel, Mack Trucks and Air Products & Chemicals. Schaefer beer claims the world's most modern brewery in a rural setting in the western part of A-B-E territory.

■ In downtown Allentown, a $15,000,000 hotel and convention center was scheduled for ground breaking in November, 1979, with Philip I. Berman, board chairman of the Hess' department store chain, as the chief promoter. Hess', a 17-unit merchandising business, is being purchased by the Crown American Corp., masterminded by Frank Pasquerilly, a rags-to-riches dynamo, with headquarters in Johnstown, Pa.

Mr. Berman, long a leader in development of the Allentown area, plans to stay in his job and guide further expansion of the Hess' chain with the enlarged financial base of Crown American.

■ Also in Allentown's future is a 14-story, $6,500,000 office tower planned for construction near the Hamilton Mall downtown. The Devonshire Towers Downtown will provide 130,000 sq. ft. of space, most of which will be occupied by an unidentified corporation moving its national headquarters to the Lehigh Valley.

Some 500 new jobs for the area are in the forecast. Developer John H. Van Hooten is handling the project, which will include two parking decks (for 855 cars) to be built by the city. Construction is slated to start in the spring of 1980 with occupancy scheduled for April, 1981. In the wings, a middle-income apartment complex for downtown is still pending action.

■ The thriving downtown area revolves around Hamilton Mall, a four-block shopping/theater/-business district with Hess' department store as the lodestone. An urban renewal project is under way in the South Second St. area.

In the field of education, the Carbon-Lehigh Intermediate Unit, a public school agency, is planning construction of a $1,800,000 administration center on the grounds of the Lehigh County Community College.

In sports, the Pennsylvania Stoners introduced area residents to soccer, completing their first season in the professional American Soccer League.

Bethlehem, "the Christmas City"—with more than 60 events each December—and its Moravian heritage, has picked up economically along with its No. 1 tenant—the Bethlehem Steel Co., which has been adding employes in recent months. The city's apparel business, grown considerably in recent years as the soft-goods side of its economy expands, is highlighted by $10,200,000 expansion at Phoenix Clothes, whose new facility reportedly will accommodate some 1,200 workers, including 200 new employes.

A 10-story office tower for downtown Bethlehem is on the drawing boards, with Mellon-Stuart of Pittsburgh as developer. Center city has its own shopping mall (80% full), an historic restoration of two blocks of Main St. and the Hotel Bethlehem, considered one of the finest remaining center-city hotels in the state.

■ The expanding Lehigh Valley industrial park in Bethlehem has filled its existing space and broken ground for another expansion. Also, Mosser Industries, a valve manufacturer, plans a $7,500,000 expansion expected to provide 225 additional jobs.

Easton, on the west bank of the Delaware River, has expanded merchandising activities with new K mart and Weis stores, accounting for about 225 new jobs. The Easton Hospital has added a new wing with 96 patient beds and expanded operating facilities. A new 10,000,000-gallon sewage treatment plant is under construction.

The largest employer of city residents is Ingersoll-Rand, across the river in Phillipsburg, N.J., which provides jobs for some 3,200 workers.

A healthy outlook for the Easton area is reflected in the decision of the city's daily newspaper, the *Easton Express*, to inaugurate a Sunday edition which was to debut Oct. 14.

Asbury Park-Long Beach

Population	499,900
Rank	76th
Personal income	$3,866,000,000
Income '77 vs. '76	+9.09%

The flashiest project announced last year by Long Branch-Asbury Park—the $66,700,000 civic-convention center—is still on paper but it has moved closer to reality. Designed by Urban Resort Development Corp., the complex blueprinted for beachfront blocks was upheld in a feasibility study turned in recently by Harris, Kerr & Forrester, New York.

The venture, to center around the famous old Convention Hall-Paramount Theater Bldg., would have as its first piece of construction a 500-room hotel. Other hotels (with some store space), a sports arena, performing arts theater, cafes and park areas, and underground parking facilities also are planned for the Atlantic Oceanfront revamping in the years ahead.

The existing Berkely-Carteret hotel, moreover, would be renovated and expanded as part of the project. One of the hotel sites was penciled in a year ago after voters vetoed a jai alai fronton proposal.

Actual completion of this lavish center may be four or five years away. The cost/feasibility study was only the initial step, to be followed by financing arrangements, via a mixture of public and private sources.

■ The other major program under way in Asbury Park is the downtown revitalization, studied by Raymond, Parrish, Pine & Weiner of Princeton. Now being implemented is a "turn of the century" look, complete with red brick paving, period lighting fixtures and appropriate facade alterations.

In other activity, a vacant theater/office building is being converted into a video production studio; more than 60 single-family homes have been approved for spring 1980; seven acres of lakefront (Wesley Lake) property are being prepared for medium and high-density residential development, and 210 new high-rise units are destined for completion early next year.

Long Branch, meanwhile, continues expansion of its facelifted beachfront amusement center in the area around Ric-Cic Corp.'s heavily promoted Haunted Mansion and Water Slide attractions, including an 800-ft. extension of the boardwalk.

As in Asbury Park, there was a noticeable drop in June and July tourist volume, but an improved gas allocation picture and better weather enabled Long Branch to exceed 1978 figures.

■ Special allocations from the New Jersey Department of Energy were credited by Asbury Park officials with turning things around to give this Monmouth County resort city (and others along the New Jersey shoreline) a successful summer '79 season after all. Supplies from central New Jersey refineries are likely to remain "stable" henceforth, these officials added.

Events attracting both tourists and residents of Asbury Park included the Jersey Coast Boat Show at the convention hall and the civic ballet and New Jersey State Orchestra performances at the Paramount Theater.

Long Branch highlights included a Spanish fiesta, senior citizen festival, "art at noon" concerts at various sites and the 100th anniversary of the local fire department at the annual July Fireman's Fair.

Widening the main Long Branch intersections along Broadway has been conpleted, with paving slated for spring. This market hopes that action will ease local traffic and parking congestion caused by the summertime surge of vacationers. The city fathers also are considering transforming part of downtown Broadway into a pedestrian mall.

■ In other developments, some 40 stores have been renovating their fronts since spring and the parks department has built three new park areas, three new beachfront comfort stations and two baseball diamonds, as well as a bike path at Elberon Park. Two of the city's most serious fires in years destroyed Vogels department store and North End beach club.

Long Branch's $12,000,000 Ocean Blvd. project, calling for construction of a six-lane highway linking this resort city with Monmouth Beach and Deal (with its new 20-store Deal Mall) is under way and scheduled for completion in 1983.

A proposed convention and cultural arts center on lower Broadway, on the other hand, has been shelved temporarily "while the funding picture clears," a Long Branch official said.

Buffalo

Population	1,303,000
Rank	29th
Personal income	$9,164,000,000
Income '77 vs. '76	9.02%

A year ago, major industries in industry-oriented Buffalo were laying off workers right and left and unemployment was up almost one point from 1977's 8.3%. Many thought the city fathers' optimism was misplaced when they coined "The Renaissance" as the keynote for the city's future.

But now it appears that maybe the optimism wasn't just officialdom's nearsighted hype. New hotels, commercial and residential developments, shopping plazas and transportation services are popping up all over Erie and Niagara Counties. Even Bethlehem Steel, which last year laid off 3,000 workers, has hired them all back—plus a few hundred more—to reach an all-time employment high of some 9,000.

Unemployment is down to a re-

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Advertising Age

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ABP RED TAG ABC ANPA

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spectable 6.6%. A local business leader sees that less as a function of the recovery of steel and other large industry than as a sign of a general broadening of the city's economic base.

"I wouldn't assign too much importance to steel," he says. "It's just not as important as it used to be, and that's a good thing for Buffalo."

▪ The momentum of downtown revival, which began a few years ago and was spurred by initiation of the $490,000,000 Buffalo light rail rapid transit system, was given added momentum by announced plans for a $60,000,000 hotel, retail mall and office building complex on Main St. from Genesee St. to Chippewa St.

A 400-room Hyatt hotel at one end of the complex, and a 21-story, 350,000-sq.-ft. office tower at the other, would be linked by a shopping mall and plaza built over an 800-car parking ramp. It would adjoin the city's new $20,000,000 convention center, which opened in October, 1978, and neighbor a $13,000,000, 500-room Hilton Inn, under construction off Main St. on the Lake Erie waterfront.

Another large project, expected to get under way soon, is Waterfront Village, also on the Erie waterfront. It will include 16 and eight-floor condominium buildings, 219 townhouses, a 200-room hotel and office and retail space, including three restaurants.

Going up nearby is a $10,000,000 office building complex, the Pioneer Pyramid, a twin five-story project that will connect to the Hilton.

The city purchased some 36 acres to expand the William St. industrial park complex, which opened in 1965 and has 16 tenants. And it plans a $1,800,000 high technology center at the Elm-Oak Arterial, with space to be leased to companies engaged in such fields as electronics and the manufacture of medical and pharmaceutical equipment.

It's all part of the city's plan to stress light manufacturing and high technology, in a shift away from heavy industry that is more vulnerable to slumps in the economy.

▪ Of course, heavy industry is not yet moribund in the area; until an early fall slump, steel production was up. And ICX Aviation hopes to lease 1,000,000 sq. ft. at the Bell aerospace division of Textron, in the Niagara Falls suburb of Wheatfield. Bell, which produces helicopters and military and space hardware, had slumped from a work force of 5,000 in recent years to about 2,000.

ICX plans to employ 1,200 workers—increasing to 5,000 in five years—to build a tri-engine commercial jet plane, although it is having some problems with federal aid for the project.

In other suburban growth, ground has been broken for a $13,000,000, 10-story Marriott Inn, adjacent to the University of Buffalo's Amherst campus; completion is expected in the summer of 1980.

The excavation of three holes, 35 ft. in diameter, marked the beginning of construction on Buffalo's rapid transit line. The 6.4-mile elevated and subway line—with some tunnels going through solid rock 90 ft. deep—will link the base of Main St. with the Main St. campus of the University of Buffalo.

City fathers hope it will provide a shot in the arm for downtown business, much as the Metro system has done in Washington, D.C.

▪ Greater Buffalo International Airport plans a $5,900,000 expansion, including three additional gates at its west terminal. And Amtrak opened its Exchange St. station to serve east-west passengers, providing the first downtown train station in Buffalo in 16 years.

About the only sour note in the economy was caused by a downturn in automobile sales late in the year. Early fall layoffs hit the Ford stamping plant, plants turning out Chevrolet axles and engines and Harris Radiator, which manufactures air conditioning units for General Motors.

Tourism suffered at Niagara Falls because of the spring gasoline crisis, although gasoline lines in the area were virtually nonexistent, possibly because the area has two oil refineries.

▪ But the energy crisis may be a blessing in disguise for Buffalo. The area, which produces its electricity almost exclusively from coal-fired furnaces and hydroelectric power, is not at the mercy of OPEC. And Buffalo serves as a receiving port for low-sulfur Western coal; federal energy officials are talking about relaxing environmental standards to allow utilities in the Northeast to switch from oil to coal.

"Everyone's talking about switching back to coal," says an industry representative. "We never switched out of it. If the utilities do change to coal, we will become a major trans-shipment port."

The city already is considering a plan to construct additional port facilities to receive coal shipped across the Great Lakes and to transfer that coal to the railroads for delivery to the East Coast.

Harrisburg, Pa.

Population	429,800
Rank	91st
Personal income	$3,148,000,000
Income '77 vs. '76	+9.72%

The hydrogen bubble of Three Mile Island cast a $2,000,000 shadow of fear over Harrisburg in the wake of the March 28 nuclear power plant accident, including $500,000 lost when the National Hardware Dealers Assn. quickly switched its convention site to Nashville. Tourism in the area took a nosedive.

The $2,000,000 in lost business, an estimate of the state commerce department for the 30-day period following the incident, was the result of the closing of shops, stores and industries when employes and customers fled the area to escape radiation uncertainties of the nation's worst nuclear plant accident. The state has applied to the Federal Economic Development Administration for a $50,000 grant to help polish the area's tarnished image.

▪ But area businessmen are more hopeful than the bureaucrats, and with good reason: In the first seven months of 1979, construction contracts were up 22% over the previous year for a total of $68,300,000 residential and $21,900,000 nonresidential; the unemployment figure at midyear dropped to 4.4%, down 1.1 percentage points; real estate dealers say Three Mile Island has had no impact on their market; British American Tobacco Industries has mounted a $30,000,000 expansion at its Appleton Papers plant in nearby Lower Allen Township for production of finished paper rolls and sheets, with completion slated for December, 1980; Island Seafood Corp., an area industry since 1959, is undergoing a $5,000,000 expansion to double its plant operations and storage space.

And two new motor inns, Marriott and Sheraton, are under construction to provide 600 additional hotel rooms—300 each—for the area next year. A $2,000,000 high-rise apartment complex for the elderly is under construction near the downtown area. Several other multi-million-dollar housing projects for the aged are being planned.

The new motor inns have their eyes on government and business rather than tourism, hard hit—down 25% to 30% in 1979—by a deadly combination of Three Mile Island, the gasoline crunch and a summer outbreak of polio in the nearby Amish country. At Three Mile Island, however, a visitors' observation center attracted more than 25,000 sightseers July 7 through mid-September.

Harristown, the $500,000,000, 12-year urban redevelopment project in downtown Harrisburg, entered Phase II in mid-1979 after the completion of three downtown office towers and two multilevel parking garages. When state agencies complete moving into the tower at 333 Market St. by Jan. 1, 1980, the center city work force will have expanded by 7,000 during the past year.

A retail mall in Strawberry Square, the heart of Harristown, comprised of two office towers on Walnut St., between Third and Fourth Sts., became operational in September with the opening of the first shop. Deals were in the works for most of the other spaces in a two-level, 100,000 sq. ft. merchandising area, which will be connected with another 120,000 sq. ft. of shopping space in the adjoining Pomeroy's department store.

Restaurants and night spots are in the making, including the Great International Food Works with nine ethnic restaurant areas. Formal opening of the mall is set for March, 1980.

Additional construction on Harristown's Phase II, slated to begin in mid-1980, is scheduled to include a $30,000,000 hotel and convention center, a $70,000,000 state office building, a $15,000,000 private office building and two facilities for the city government to cost about $12,000,000.

▪ There have been some minuses in downtown Harrisburg this year. Two merchandising landmarks left the scene. Doutrichs men's store, a 70-year-old downtown tenant, closed down to put all its eggs in two existing suburban mall outlets, and the E. G. Hoover Co., a quality jeweler in business since 1891, also fled to the suburbs.

Jimmy's Forum, a popular watering hole for politicians, "didn't have the heart to go on" after the death of proprietor "Big Jim" Laskaris.

In the area of public works, a $20,000,000 water treatment plant is in a holding pattern, as is an $80,000,000 flood control project. The city also plans to convert an uptown slum area into an industrial park and to construct two parking garages near the capitol to discourage the demolition of downtown buildings for surface parking.

A continuing problem businesses face is the Conrail freight car shortage, but in highway transportation the area continues to thrive as a crossroads and as a warehouse and distribution center. Two additional lanes of traffic are being added to Harrisburg's South Bridge, and the Susquehanna River bridge at Clarks Ferry, north of the city, is being widened.

The state allocated $6,000,000 for improvements at the state-owned Harrisburg International Airport in the next five or six years, including the design of a much needed new terminal building.

This fall, TWA will begin operating the first same-plane flight between Harrisburg, Miami, and other Florida cities, via Pittsburgh. Another airline has expressed interest in direct north-south flights when new terminal facilities are available.

In rail passenger service, the city was due to lose the New York-Kansas City National Limited, one of its two Amtrak trains, on Oct. 1, with only the New York-Chicago Broadway Limited remaining.

Jersey City, N.J.

Population	554,000
Rank	71st
Personal income	$4,235,000,000
Income '77 vs. '76	+7.6%

With capital investment commitments exceeding $100,000,000 for the first time in a decade, Jersey City, N.J., the largest municipality in Hudson County, is calling 1979 a banner year.

A number of projects in the area, hard hit in the past decade by industrial deterioration, moved forward, and unemployment continued to decline to 11.2% last July from 11.7% a year earlier.

Indicating the improvement in the area's outlook is the renovation in Jersey City of old brownstones by middle level professionals for their personal residences. At least 400 are presently under renovation.

One building, dating from 1690, in the heart of Jersey City's downtown Journal Square, has been restored and turned into a restaurant by history buffs. Called Summit House, it offers American colonial food. Another old building, the Majestic Theater, originally a burlesque house, may be revived for a repertory theater company.

▪ Liberty State Park, just several hundred yards across the water from the Statue of Liberty, has become one of the most frequented parks in the state, with ferry service to the statue and to Ellis Island, once the principal immigration point into the U.S.

The Jersey City Cultural Arts Council sponsors free concerts in the park every summer. Entertainment has included the New Jersey Symphony, Lionel Hampton and Buddy Rich.

Retail sales in the county were expected to improve with the November opening of the K mart Shopping Plaza, a $11,400,000 project that includes a Pathmark supermarket, Roy Rogers restaurant, Trust Co. of New Jersey bank branch and eight small stores in addition to K mart.

▪ Jersey City has been successful in finding tenants for several previously unoccupied buildings. The American Industrial Center has been established in a 1,150-sq.-ft. building formerly owned by American Can. Described as a vertical industrial park, it now houses 28 companies and provides jobs for 1,100 people.

A building vacated by Bali Corp. three years ago has been expanded to 325,000 sq. ft. and is expected to be completely occupied by clothing manufacturers soon. An old W. T. Grant building of 300,000 sq. ft. is now occupied by Nelson Resources, a labeler and distributor of garments, and provides 400 jobs.

Under a new federal program providing funds to urban areas, Jersey City has received $12,000,000 during the past 18 months. Some $3,200,000 of the total is going toward a $17,200,000 project on 52 acres of land that is designed to become a major trucking turnaround spot for the metropolitan area. It will include a truck stop, motel/hotel and restaurants.

▪ Another $7,000,000 is earmarked for the $32,000,000 Montgomery St. Gateway Project that involves rehabilitation and construction of moderate income housing on a 100-acre site. Just completed in another project are two of four buildings for senior citizen housing that will provide 564 new units when the whole project is finished next year.

Jersey City has also heard public comment on a proposal for 1,100 units of high income housing on 70 acres of land near Roosevelt Stadium. Hartz Mountain Industries is one developer that has expressed interest in the project.

A number of other projects are progressing slowly. A 187-acre area known as the Greenville Yards has been selected by the Port Authority of New York and New Jersey as the site for a $1 billion industrial park.

When fully developed in 10 or 12 years, the project will contribute 7,000 new jobs and a payroll of $78,000,000 in 1977 dollars. During construction, an estimated 1,000 new jobs will be created. The project will require an investment of an estimated $269,000,000. The 33-acre Montgomery St. Industrial Park is expected to create 500 to 600 new jobs.

Also moving forward are plans for a $170,000,000 regional food distribution center on a 442-acre site. The center would create about 4,000 jobs. The city's hope for a jai alai fronton was dashed when state voters failed to allow the sport in the state. Now, the Jersey City mayor is proposing that a major theme park be developed in that same area near Caven Point.

The city continues to offer tax incentives to businesses to attract them to the area. It claims that the cost of operation is 22% less than in New York.

With a 96% occupancy rate of office space, Jersey City is conducting a study to determine the feasibility of adding more office buildings. In a move to help local brokerage houses, the municipality battled the Federal Communications Commission and won the right to finance its own communication network to New York to avoid higher telephone rates between the two states.

Nassau-Suffolk

Population	2,690,000
Rank	10th
Personal income	$23,154,000,000
Income '77 vs. '76	+8.0%

The two suburban Long Island counties, Nassau and Suffolk, are more than peaceful residential areas on the outskirts of New York. Comprising a 150-mile strip of land reaching out into the Atlantic Ocean, both counties continue to grow as the movement of small businesses from city to county increases.

The Long Island unemployment rate continued to fall this year, dropping 0.3% below last year's figures to 6.9%. This improvement has been attributed to a rise in employment in the retail and wholesale trades.

Nassau and Suffolk traditionally have felt the strain of the city's fiscal uncertainties, with many county residents losing their city jobs. However the influx of city businesses into the counties, coupled with the federal aid the city is now receiving, is expected to relieve some of these pressures.

▪ In 1978, 81 new plants opened in the counties, 44 fewer than in 1977 and 79 fewer than in 1969, with many of these plants coming from the city. Sources at Long Island Lighting Co., Mineola, N.Y., said city businesses were attracted to the counties because energy costs were significantly lower.

In addition to new and relocated plants, there were 243 plant expansions in 1978, a record number for Nassau-Suffolk. The majority of

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100 MARKETS

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the plant expansions and relocations occurred in Long Island's easternmost county, businesses preferring Suffolk's less-congested expanses. Ground was broken for 58 new plants in Suffolk in 1978, while Nassau attracted 23.

Among the new companies that have moved into the area are Ullman Co. in Happaugue, with 140 new jobs; Glamour House Products, Bayshore, with 65 new jobs; Arlen Industries, Amityville, with 40 new jobs, and National Patent Development Corp., Woodbury, with 30 new jobs.

Business-stimulating developments continued last year with one of the biggest projects being the University of New York's new hospital complex on the Stonybrook campus. The 20-story project will open early next year, supplying jobs for about 1,000 doctors and nurses and training for Stonybrook interns.

▪ The Garden City hotel and the Mitchell Field industrial park hotel will provide almost 2,000 rooms when they open late this year.

Mitchell Field is a converted Air Force base that, when completed, will house a number of light industries and research companies in about 1,000,000 sq. ft. of office space. It also will provide about 3,000 jobs. In addition, 300 condominiums have been approved for 1980 construction on the site.

Project Isabelle, the brainchild of the Brookhaven National Laboratory of Energy Research in Suffolk, continues multi-billion-dollar construction of the world's largest accelerator designed specifically for high energy research. When the project is complete in five to seven years, Isabelle will employ a regular staff of 200.

At $22,330 annually, the median personal income in the SMSA is the fifth highest nationally, down from second in 1977. Total retail sales rose more than 10% to $10.2 billion. With 174 stores and occupying more than 2,000,000 sq. ft., Roosevelt Field remains the largest of Long Island's 20 shopping malls and ranks among the biggest in the nation.

▪ Tourism remains a factor in the economic growth of the two-county region. Concentrated in the summer months, the tourist trade brought in an estimated $1.4 billion in 1978, up from $1.2 billion in 1977.

The biggest convention of the year in Nassau-Suffolk was the second annual "Long Island loves business" (LILB) exposition called Expo '79. The three-day affair was created to attract business to Long Island and familiarize local businesses with their competitors.

Held in the Nassau Coliseum, this year's exposition attracted more than 300 businesses and about 20,000 visitors. LILB estimates that local businesses paid about $50,000 to display their exhibits and attend Expo functions.

Fishing enthusiasts convene in the waters off Long Island for fishing tournies and other events that attract anglers from all over the East Coast. The Annual Shark Tag Tournament attracted 700 participants in about 150 boats eager to tag blue fins and makos.

Newark

Population	**1,951,300**
Rank	**16th**
Personal income	**$16,998,000,000**
Income '77 vs. '76	**+9.12%**

Newark is still afflicted with what its residents delicately refer to as "the image problem"—the tendency of Newark's name to summon up visions of urban decay and race riots, both of which brought Newark national attention in the 1960s.

As Newark heads into the 1980s, its citizens tell you that such problems are no longer as dire. They contend that race and poverty problems affected, and continue to affect, not just Newark, but all big cities.

Interviews with Newark city planners, developers, business executives and community workers reveal a sense of optimism about the city's future. Much of this is based on a feeling that Newark has survived the worst and now is climbing back.

Part of that optimism is due to energy concerns: Newark, with its first-rate mass transportation system, views itself as being in a better position for the energy-conscious 1980s than its automobile-dependent suburban neighbors.

▪ Symbolic of this is the Public Service Electric Gas Co.'s decision to remain headquartered in downtown Newark, as it has for the past 75 years. The PSE&G had considered moving to the suburbs, but changed its mind after considering energy and transportation demands.

Among the deciding factors was a study that showed that almost two-thirds of the company's work force commuted to the job by public transportation. Had PSE&G moved, nearly 2,000 employes would have had to drive cars to work. Upon deciding to remain in Newark, the company undertook construction of a new 26-story office building alongside its present facility.

Also viewed positively as a sign of Newark's comeback is the building of three new shopping malls in the city, a reversal of the suburban shopping mall trend.

The three new malls are The 60,000 sq. ft. Ivy Plaza, which opened last year; the 57,000 sq. ft. Ironbound Plaza, which is under construction; and the 44,800 sq. ft. mall at West Market and 12th Sts.

▪ As with many other older cities, Newark is experiencing "gentrification," the influx of young professionals who buy up and renovate inner-city housing. In Newark, most of this renovation is taking place in the James St. Commons-Lincoln Park area, a 20-block, 65-acre section of Newark that contains the city's largest concentration of Victorian townhouses. It has been declared a federal historic district.

Among those going the restoration route is Wayne Braffman, business manager of Newark's Symphony Hall Corp. (the Symphony Hall building itself was restored in 1977). He bought a three-story brownstone one block from his job on Lincoln Park two years ago for $11,500.

In the intervening two years, he has spent $26,000 on renovations and is ecstatic about the house. "It has oak floors, enormous fireplaces, everything you could want," he says.

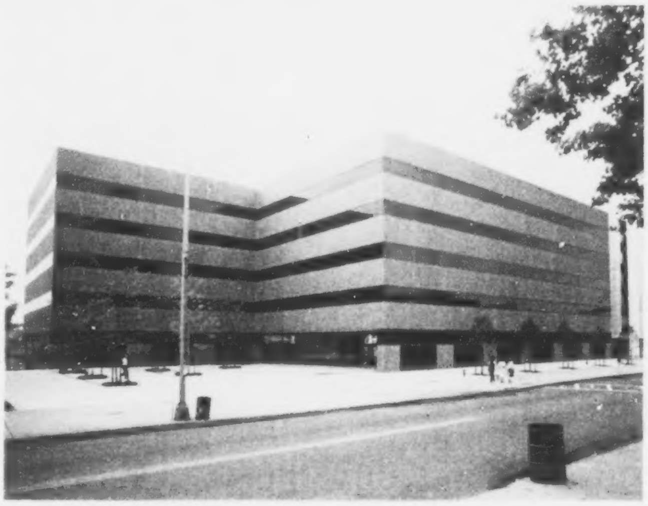
Another sign that the whole Lincoln Park area is picking up was the opening of a new disco there, the Paradisio, earlier this fall. The Paradisio is located in the former Continental Ballroom; renovations cost $500,000.

▪ Other indications of Newark's more hopeful spirit include the chamber of commerce's Project Pride, an antivandalism program, begun in 1977. At that time, vandalism was costing the city nearly $500,000 per year. It has now been cut in half.

Project Pride, which incorporated this year, is designed to combat vandalism in the schools and housing projects by educating school children on vandalism's costs and involving them in clean-up programs.

Newark also took pride in having the distinction of sponsoring 1979's only major university-level volleyball tournament on the eastern seaboard. Participants included Ohio State, USC, UCLA and the hometown favorite, Rutgers.

UCLA, the nation's top team, won the tournament, which attracted capacity crowds of 2,000 to the Rutgers gym. "It was world class volleyball," according to one of the organizers.



Architect's sketch dramatizes the planned College of Medicine & Dentistry/Rutgers Medical School in New Brunswick, scheduled for completion in 1980.

New Brunswick-Perth Amboy-Sayreville, N.J.

Population	**591,100**
Rank	**67th**
Personal income	**$4,744,000,000**
Income '77 vs. '76	**+9.33%**

When the crowds of New Brunswick revelers gather on the campus of Rutgers University Dec. 31, 1980, they will be celebrating three events—the new year, the city's 300th anniversary and the completion of many community redevelopment projects.

The year 1980 will see completion of Johnson & Johnson's new international headquarters on Route 18, a $50,000,000 undertaking.

At the same time, the $38,000,000 Middlesex General Hospital expansion and a $12,000,000 medical education building of the hospital will be completed. The expansion will make the hospital the primary teaching facility for the Rutgers Medical School of the College of Medicine and Dentistry of New Jersey.

According to Dolores M. Carlucci, executive director of the New Brunswick Chamber of Commerce, the J&J headquarters and the hospital expansion will contribute greatly to the major rehabilitation which is taking place in what residents have dubbed "the city on the move."

▪ The influx of new students and doctors, she continued, also will serve to heighten further New Brunswick's image as a college town.

As the home of Rutgers, the state university of New Jersey, and Douglass College, New Brunswick already experiences the annual fall arrival of 14,000 new students to those campuses.

And while the population of New Brunswick officially is 43,000, workers and students increase the figure to more than 100,000 during the daytime.

The New Brunswick Development Corp., with the support of J&J, the city's largest employer, and other businesses, this year completed Plaza II, a complex of four office buildings which recently won a design award.

The corporation also has broken ground on a 300-room Hyatt hotel and conference center on Route 18 near three Rutgers dormitories. Groundbreaking also has begun for Plaza III, an office building complex involving twin towers.

▪ Dolores Carlucci envisions New Brunswick being as bustling a city at night as it currently is during the day. She has begun to see signs such a goal is within the city's grasp. Younger families are rehabilitating older housing in the city; condominiums are being created out of old buildings—one of which had been a needle factory years ago.

The city, the county seat of Middlesex County, also boasts many restaurants—Alfredo's, Christopher's Pub and the Golden Spike are among the most popular.

The city's efforts to clean up pollution in surrounding waters each year includes a "Festival of Blueberries" an event which draws several thousand people to hear entertainment by water conservationist Pete Seeger and board the Clearwater sloop.

The effort is beginning to pay off, according to Fred Mazurek, community development director, who noted that fish—including 14 to 20-lb. bluefish—are once again being caught along Perth Amboy shorefront for the first time in years.

▪ Bayside Villa, a complex of patio homes, is under construction a block from city hall. The unattached houses, priced from $97,000 to $135,000, are similar to those in an earlier Bayside Terrace complex.

Although the costs of such houses have jumped $12,000 from their originally listed price, 15 or 25 units have been sold, with some to be occupied by the beginning of next year.

Although lacking a company like J&J to help underwrite its community development efforts, the city of Perth Amboy has been buoyed by the $100,000,000 invested by Canadian-based Co-Steel in transforming the site of an old Anaconda plant into its new Raritan River Steel plant.

The plant, currently starting to hire some of the 500 workers it will need, will begin operating shortly, and expects to be fully operational by next fall.

Known as the Bay City because it is bounded by the Raritan River and the Arthur Kill, Perth Amboy remains optimistic that the search for oil in the Atlantic Ocean's Baltimore Canyon area could eventually bring an economic boom should the city be chosen as a receiving and distribution point by the oil companies.

▪ In the meantime, industrial growth continues via an industrial park which has been developed on a site once occupied by a National Lead plant. The park currently has 14 tenants and could accommodate as many more, depending upon their size.

Community pride can be seen in the facelifting the downtown area is undergoing. Curb cuts have been installed at all intersections mainly to aid senior citizens and the handicapped.

Five Corners, the city's major section, is getting a plaza complete with benches and banners. Eventually city banners will be affixed to all street lights. The triangular banner bears a seagull design.

"We're old, but very progressive," says community development director Anthony Travisano in discussing Sayreville, a 16-sq.-mi. borough across the Raritan River to the south of Perth Amboy.

▪ The progressive attitude of the borough of 36,000 residents is manifested in Sayreville's self-insurance program which has amounted to nearly $200,000 in savings to taxpayers since it was instituted in 1977.

The self-insurance program, covering workmen's compensation and borough property insurance, was made possible by funds originally set aside in 1962.

Improvements in the quality of life in the borough whose population is comprised mainly of residents of Polish, Italian and Irish extraction, range across the recent expansion of the borough library, the ongoing construction of a new $4,000,000 complex which will house Sayreville's 80-member police force and a $2,000,000 improvement program under way at Kennedy Park.

When completed, Kennedy Park will feature new ballfields, six additional tennis courts (there currently are six) and picnic areas.

Sayreville also is looking to the completion next year of Sayrebrook, a privately developed complex which will feature one and two-family townhouses, a shopping complex and office space.

The area has seen an increase in the number of residents who commute to New York due to residential construction principally off Route 9, one of three major state arteries which cut through the borough.

New York

Population	**9,221,800**
Rank	**1st**
Personal income	**$76,077,000,000**
Income '77 vs. '76	**+7.38%**

Bustling, cosmopolitan New York continues to be a headquarters city and international capital that attracts 20,000,000 visitors annually. They are drawn not only by business but by its museums—more than any other city in the world—art galleries, clubs, dance and concert halls, libraries, movies, ballet companies, symphonies, retail stores, restaurants, parks and sporting events.

The city has its problems. New York shoulders an enormous welfare burden. As a melting pot for people of different backgrounds and life styles, it is often a field of battle, an arena where differences are aired, a point demonstrated by the gay community's protest of the filming of the movie "Cruising."

As a headquarters for banks (whose names fill 10 Yellow Pages of the Manhattan telephone direc-

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tory,) it's a prime target for robberies, and there were no shortages of them in 1979. And as the largest municipal employer in the country—paychecks for some 250,000 union workers come out of the city coffers—it faces perennial fiscal problems.

▪ But the picture is looking rosier for the city. Lately, it looks as if New York can pull itself out of the financial rut it staggered into. Since the last recession, the city has trimmed the fat from its budgets, become more competitive in luring business here and more aggressive in attempting to stem the exodus.

And now, after gloomy years of cutbacks and retrenchments, its municipal government, finance and construction sectors are rallying. (From 1969 to 77, the city lost some 625,000 jobs, 16.5% of its total employment.)

One need only walk through midtown for testament to the vitality of construction. Some of the construction is being done on hotels and the results—the Palace Hotel, Harley Hotel, New York Hilton Hotel, a new Hyatt Regency, Helmsley Hotel and Nassau Hotel—should help alleviate the ordeal of finding a vacant room.

The city's hotels have thrived, some at near full occupancy year round, and others at an average of over 80% occupancy.

It isn't just visitors who are attracted to New York. After years of losing more and more of its middle class to the surrounding suburbs, New York has finally turned the tide; its people, tired of commuting, are returning.

▪ To make living space for them, manufacturing lofts in Greenwich Village and Soho have been converted to residences and new apartment buildings have been erected, seemingly overnight.

Some neighborhoods, previously considered unredeemable, have begun to show signs of reclamation. The rundown West 42nd St. area now houses the sleek, well designed Manhattan Plaza and supporting complex of stores and theaters.

Other neighborhoods which had been sliding downhill, such as the Upper West Side and Chelsea, are now looking more spruced up. And previously exclusively work neighborhoods, such as the financial district, are now luring patrons to build a round-the-clock community.

Ex-New Yorkers aren't the only ones flooding into the city, pushing rental rates to dizzying heights. (Many apartment seekers would consider a studio in a clean, well maintained building at $450 a month a bargain; they would also snap up a one-bedroom at $600.)

The city has also attracted swarms of foreign investors, eager to convert their far-reaching marks, yen, francs, pounds and other currencies into New York co-ops, condominiums and brownstones.

▪ Foreign investment buoys more than just the home real estate market. New York City is headquarters for 73 foreign bank branches with 97 offices, 60 international financial houses, and 136 offices of 26 international banks and trust investment companies.

Foreign companies have also bought into the New York retail scene. They now own Gimbels, Saks Fifth Avenue, Korvettes, A & S, Orbach's and F.A.O. Schwarz toy store. The city also has 131 large international law firms.

The city's future looks brighter as a result of the energy crisis than many other markets. According to New York's outspoken mayor Edward I. Koch, "The city is naturally energy efficient because of its heavy use of mass transit and its concentration of multifamily dwellings.

"We were not surprised to learn that—unlike their suburban counterparts—businesses in the city did not report any increased absenteeism among employes or need to change business hours. Over 60% of the working city residents walk or use mass transit to get to their jobs.

"Sales in the city's major department stores have continued to rise this summer and were apparently unaffected by the shortages of gasoline. In addition, New York City's tourism is having its best year ever. You don't need a car to get to New York, and you don't need one to get around the city once you're here."

Northeast Pennsylvania

Population	629,200
Rank	61st
Personal income	$3,936,000,000
Income '77 vs. '76	+8.85%

As with the fable about the blind men attempting to describe an elephant, pinning down the economic health of the Northeast Pennsylvania SMSA depends upon whom one talks to.

"Prosperity isn't around the corner. It's here," says a Wilkes-Barre newspaper business editor, who cites scores of new and expanded industries.

But around that corner—or rather 24 miles to the northeast in Scranton—things are a good deal more subdued.

"I'd say maybe we're on the upgrade, ever so slightly," says a cautious chamber of commerce official. Employment is up, she says, but so is unemployment—to more than 10%.

That's the apparent result of more women entering the job market. And that in turn is the apparent result of families needing a second paycheck to pay utility bills and to meet other inflationary costs, she says

▪ To the south of Wilkes-Barre, in Hazleton, modest but steady growth goes on. But there is the prospect that the beds of anthracite coal upon which Hazelton rests, and which extend south to Harrisburg, may once again mean boomtown days for the southern Luzerne County area.

To the east, rural Monroe County is beginning to stir with some new development, but the gasoline shortage this spring hurt its resort areas.

In short, it's far from a homogenous economic picture in Lackawanna, Luzerne and Monroe Counties, the three components of the Northeast Pennsylvania SMSA.

Wilkes-Barre officials happily note industrial growth in the city and the surrounding area in 1979:

• Frye Boot, a subsidiary of Alberto-Culver, opened a plant in Hanover Township. At full production, it will employ some 300 leatherworkers, with an annual payroll of about $3,000,000.

• Schott Optical Glass, a German-based company that has its only U.S. plant in Duryea, will construct a new research and development facility at the plant, adding some 80 employes to its present work force of 600. The facility will develop and produce a prototype laser glass for laser fusion experiments.

• Owens-Illinois' Pittston plant, which manufactures television screens for major electronics companies, has rehired workers it previously laid off, as well as adding some 50 new employes.

• The General Services Administration announced plans to locate a new facility in Wilkes-Barre, consolidating 12 federal agencies housed in three older buildings in the city. The federal government will lease the building from the developer.

• Savin Corp. has confirmed that it is considering building a 500,000-sq.-ft. plant that could eventually employ 3,000 people. The plant would house Magnetic Laboratories, a new subsidiary of Savin, which manufactures office equipment and copying machines.

• Allied Services, a Scranton-based company that provides rehabilitation service for the handicapped, is building a $12,000,000 facility on Mundy St. in Wilkes-Barre. It will accommodate 86 persons and provide 300 new jobs.

• Completion is expected in late 1980 or early 1981 for the Pennsylvania Power & Light Co.'s Susquehanna steam and electric plant, a nuclear facility at Beach Haven. Some 2,000 workers are completing the first of two units; the second is to be completed in 1983.

• An $11,000,000, two-wing expansion of the Wilkes-Barre General Hospital is to be ready for occupancy by early 1980.

▪ Meanwhile, in Scranton and Lackawanna County, public transportation is being improved with the purchase of 41-passenger buses and the addition of bus shelters and maintenance equipment.

In Simpson, a suburb of Scranton, a 50,000-sq.-ft. expansion is under way at the main plant of Gentex Corp., which manufactures cord, twine, medical and surgical instruments and other materials. The expansion will add 500 employes, more than doubling the present work force.

Chrysler Corp.'s Scranton Defense Plant is being renovated to manufacture components of the new XM-1 main battle tank. But, according to Chrysler, no employes are being added, because the plant will phase out the manufacture of components of the present M-60 tank.

In the borough of Olyphant, a 500-acre tract is being prepared as the site of the Mid-Valley Industrial Park, near the virtually full Keystone Industrial Park.

▪ Scranton business leaders, while worried about their high unemployment rate, said they are beginning to feel the impact of the completion last year of the Interchange of Int. Hwys. 84, 380 and 81 in the suburb of Dunmore. A number of distributing and warehouse companies are expressing interest in locating in the area, which provides easy access to New England, New York and points south.

And Pocono Airlines, an arm of USAir (formerly Allegheny Airlines), has purchased two new aircrafts and will increase its commuter service to Williamsport, Philadelphia, Newark and New York beginning in May.

In Hazleton, ground was broken in September for a $4,700,000 coal gasification plant, which will be operated by Can Do Inc., a nonprofit industrial development arm of the chamber of commerce. It will serve the 1,400-acre Humboldt Industrial Park in Hazel Township.

Paterson-Clifton-Passaic, N.J.

Population	444,700
Rank	86th
Personal income	$3,438,000,000
Income	+9.21%

Though tied together for census and marketing considerations, Paterson-Clifton-Passaic, N.J., are as diverse as three neighborhoods in New York, under whose shadow these New Jersey communities stand.

Paterson is the most urban of the three, Clifton the most suburban, with Passaic in the middle, trying to blend the best attributes of both. In the massive jobs exodus of a few years back, Passaic came closest to being devastated so its rebound from the economic pits has been the slowest and toughest.

Area employment is still depressed. The average unemployment rate is approximately 12% with the job shortfalls concentrated in the Hispanic and black communities. Dozens of major companies left the region in the mid-1970s.

While many fled south for warmer climes, lower taxes and a cheaper job force, a number were thwarted when they didn't have the room to expand. Other businesses were simply phased out after being acquired.

The past year, nevertheless, has raised hopes for a brighter employment picture. Some light industry and service organizations, for example, are still relocating from decaying parts of New York and Newark to the area. In Clifton, more than 1,500,000 sq. ft. of vacant industrial space just three years ago has been trimmed to fewer than 200,000 this year.

Some of the most substantive steps toward reducing unemployment are being taken in Paterson under the auspices of the chamber of commerce.

Earlier this year, the chamber started a school to train machinists, one job category where supply has not kept pace with area demand.

In addition, the first chamber-sponsored, three-month weavers school is about to start, and the anticipated 60 or so graduates of the first class have already been assured jobs with one of the local textile mills, still the area's single largest category employer. The KalkStein Silk Mills alone will hire 35% of the new workers.

Another major Paterson employer, Sun Chemical Co., added 40,000,000 sq. ft. of production line space this year and plans to add a similar amount in the near future.

▪ Though Clifton lost heavily in the early '20s economic downturn, major branches of giants like Georgia Pacific, Du Pont and ITT remain, as does the region's biggest single employer, Hoffmann-LaRoche, which signs the paychecks of some 7,000 residents.

To promote interest in the area, both the Clifton and Paterson Chambers of Commerce have had promotional campaigns for the past few years.

Both consumers and industry are urged to discover the two cities' prime locations, ease of access to other major cities via a multitude of transportation links and the area's bright future, stemming in part from a steady stream of federal funds for a variety of projects.

Proving that there's usually a silver lining in even the darkest of clouds, the 1979 gas crisis had an extremely positive effect on Paterson, the most urban community of the trio.

▪ For example, while retail sales in some of the mammoth area shopping centers in Wayne and Paramus were down as much as 50%, center city sales not only held up but even posted modest gains.

For the first time in the decade, there was no available space in the downtown shopping district; moreover, the Paterson Chamber of Commerce says it has a sizable waiting list of businesses ready to move in the moment a store becomes vacant. This situation, in turn, has prompted a significant rise in some property values while the tax base remains stable.

Paterson's retail sales were in the $350,000,000 range in 1977 and more than $411,000,000 in 1978. Town fathers look for 1979 figures to at least maintain that rate of growth.

So striking has Paterson's recent growth been that even the Lower Main St. Mall project has been revived through transfusion of some $800,000 in urban renewal funds. So far, more than $1,000,000 has been spent on the project, which consists mainly of small specialty shops, boutiques and restaurants.

This section, in turn, is part of the major Great Falls project, which has substantially reshaped the city's inner core, highlighting the city's past glory as the locomotive manufacturing capital of the world. Moreover, there has been a flurry of housing projects in the past year.

▪ One is a 159-unit project of INCCA, the Inner City Committee for Action, and another, the Jackson-Slater St. project, being funded by the Catholic archdiocese.

Within the horseshoe-shaped Clifton limits is Passaic. More than a third of the local work force lives in the city, and an even higher number uses public transportation. A major attraction downtown is three of the largest hospitals in the area.

For several years, Passaic has been building a new civic center and police station. A $5,000,000 parking mall was completed and includes a variety of retail outlets.

The city's major effort to attract more industry involves the vacant Botany Mills 50-acre industrial site. Town fathers are carving the industrial park into smaller units suitable for smaller scale businesses.

Philadelphia

Population	4,770,400
Rank	4th
Personal income	$35,648,000,000
Income '77 vs. '76	+8.5%

Philadelphia is a city in transformation. Once a sluggish center of transportation and manufacturing, the city is in the midst of a growth economy largely due to a rapid influx of service industries.

Office building and hotel construction is booming. Downtown retail districts are blossoming. The city is aggressively attracting tourists. Philadelphians are watching changes taking place almost overnight and, for the first time in almost 100 years, there is optimism about an expanding business future.

▪ Business leaders are calling it "The New Philadelphia Story." Between 1960 and 1975, about 10,000,000 sq. ft. of office space rose in glittering steel and glass above this historic city. Nine center city office projects were in the works in 1979 and by the end of the '80s ten more will be completed, adding another 10,000,000 sq. ft.

Scheduled for completion in 1980 are Franklin Town Plaza, an $87,000,000 complex that will contain a 30-story, 800-room hotel operated by Canadian Pacific Hotels Ltd., a 24-story office tower to become headquarters for SmithKline Corp., a convention center and exhibition hall and a two-level underground garage.

Based on the early success of the Gallery, a multitiered shopping arcade that represented a progressive move by developers and financers to bring the shopping mall concept to the heart of an urban area, construction is also under way on Gallery II. Only blocks from city Hall, the Gallery II site is adjacent to the existing Gallery and will in-

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100 MARKETS

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clude a J. C. Penney department store and two 440,000 sq. ft. office towers.

■ Faith in continued growth also is evidenced in the major refurbishing of Philadelphia's grand old luxury hotels. First-class travelers can now find elegantly appointed accommodations at a number of locations in the city.

The new Fairmont Hotel is a good example. The old Bellevue Stratford closed in 1976 and, $25,000,000 later, opened in September, 1979, as the Fairmont Hotel with 565 luxury rooms.

Restaurants have been cropping up all over the city, too. More than 150 restaurants have opened in the past two years. Dining out is now an important part of the Philadelphia life style. Local chefs approach celebrity status.

When *Philadelphia* magazine publishes its annual dining guide in a regular monthly issue, newsstands sell out so fast that the publisher reprints 15,000 copies of the guide and makes it available under a separate cover. According to *Food & Wine* and a number of other important publications, Philadelphia has gained an international reputation for fine dining.

■ The proliferation of classy dining spots and the rebirth of posh hotels is expected to make Philadelphia a more attractive tourist destination. For the first time, tourism dollars are a priority in Philadelphia, and the city has alloted $3,000,000 to be spent over a three-year period to promote tourism and economic development in an international advertising campaign. The theme is "Surprising Philadelphia."

Not so surprisingly, the year-old campaign is working. Eugene Hosmer, head of the city's convention and tourism bureau, says the number of visitors to the tourism center is up 18%. The ad campaign is handled by Philadelphia's Kalish & Rice.

While visitors in Philadelphia still have to suffer what three separate studies indicate as "the worst level of taxi service of any major city in the nation," local travelers soon will benefit from a $360,000,000 underground tunnel that will link the area's two commuter train lines.

Construction on the 1.7 mile tunnel began in 1979 and when it is completed, over 500 miles of track will be joined in a new complex in the center of the city's commercial district.

"We're making the downtown area more accessible and convenient than ever before," says Thacher Longstreth, president of the Greater Philadelphia Chamber of Commerce. "A lot of people who used to work in town and shop at home in the suburbs will now find it much more practical to do their shopping in the city."

Mr. Longstreth says the commuter tunnel and other changes in the city's rapid transit system will have a profound affect on future growth.

■ In the future, conventioneers and airport travelers will be brought swiftly to center city by a high-speed rail system to be completed in 1982. Already under construction, the new rapid transit line will drastically reduce traveling time from Philadelphia International airport in the south and the civic center in the west to the shops, restaurants and hotels downtown.

Getting in and out of town is becoming less of a problem for more and more people who work in Philadelphia. While the city has always been exceptionally approachable for commuters, rising home prices in the suburbs and skyrocketing costs for gasoline are turning many folks away from life in the country and bringing them into the city.

The renovation of charming historic townhouses that started here years ago in Society Hill is happening all over the city. "People are quietly buying houses in the city, fixing them up and staying here," says Mr. Longstreth.

Mr. Longstreth says the influx of young middle-class professionals into the city's neighborhoods is balancing the urban population picture and strengthening the tax base.

■ Another surprise, even to most Philadelphians, is the business generated by the city's seaport. On the basis of combined tonnage, it is probably the biggest port in the country. Most of it is bulk cargo—oil, coal and iron ore—but 134,000,000 tons are transported through Philadelphia's port each year.

To compete with New York for general cargo, $54,000,000 was spent over the last 15 years to modernize Philadelphia's container terminal facilities. This year, 5,000,000 tons of general cargo passed through the city's ports, just a third of the 15,000,000 tons that went to New York.

At the Naval Base south of the city, Philadelphia's ship has finally come in. In October, the USS Lexington arrived in the Naval Shipyard for a seven-month $34,000,000 overhaul. Work on the 900-ft. carrier created 1,000 jobs for the city. In October, 1980, a sister ship, the USS Saratoga, is slated to berth in Philadelphia for a $500,000,000 overhaul.

■ Progress on Philadelphia's goal of becoming an "international city" has been slow, but encouraging. The music director of the internationally acclaimed Philadelphia Orchestra, Eugene Ormandy, retires this year after his 44th season and the orchestra's board of directors has been shuffled to boost the institution's income in the face of steeply rising costs.

In the last year, three international companies moved into Philadelphia. The most notable is Mitsubishi International Corp., a Japanese-owned general trading company with holdings in over 20,000 diversified commodities.

Pittsburgh

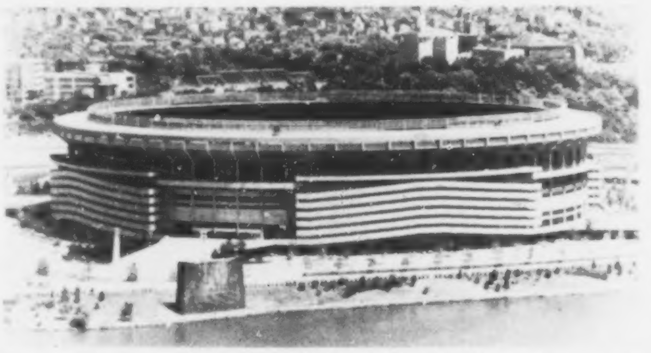
Population	2,277,300
Rank	13th
Personal income	$17,179,000,000
Income '77 vs. '76	9.72%

If the nation caught an economic cold 25 years ago, Pittsburgh caught pneumonia.

That's when Pittsburgh was "Steel City." In 1955, for example, the steel industry employed nearly a fifth of the city's total work force, according to a Mellon Bank study. Private services and trade accounted for 43% of the city's employment. Any dips in consumer or capital spending quickly sent Pittsburgh into panic.

And, in addition to being an industrial hub, Pittsburgh looked like one. "Some people still think of Pittsburgh as the city where the rivers run brown and you can't see across the street," says Jay Aldridge, exec director of Penn's Southwest Assn., a local economic development group responsible for luring Volkswagen and its assembly plant to New Stanton, 30 miles east of the city. "When I hear those comments, all I can do is laugh."

■ Mr. Aldridge can afford to laugh now. Pittsburgh is no longer the sickly city it once was. It's still an industrial center, of course with headquarters of such corporate kingpins as U.S. Steel, Gulf Oil, Westinghouse, Rockwell International, Alcoa, National Steel and PPG Industries. (Pittsburgh is second only to New York in its control of invested capital.) But the cyclical slumps have finally evened out.



Pittsburgh stadium attracts hundreds of thousands to sporting events throughout the year.

"The region has undergone some tremendous structural change," says Norm Robertson, Mellon Bank's chief economist. "Segments of the economy that deal in the service sectors have really grown. There's no question that Pittsburgh's economy is much more diversified now."

As of last year, services and trade employment was up to 54% of the work force. And area steel firms now account for a tenth of the city's jobs—a figure expected to drop to 8% by 1990.

"For many years, the region suffered from an inferiority complex," adds Mr. Aldridge. "It's just recently, with a little help from the Steelers and the Pirates, that people have begun to believe in the city and themselves."

■ Despite some signs of an economic slowdown in Pittsburgh, cautious optimism seems to prevail. Retail sales, housing and employment remain surprisingly strong, although real estate execs fear that the Federal Reserve Board's tight money policy might slice demand for residential construction.

Downtown commercial construction in the "Golden Triangle"—the confluence of the Allegheny, Monongahela and Ohio Rivers—continues to be robust, promising to ease the current shortage of prime office space. Construction was started earlier this year on a new $100,000,000 PPG Industries office building, scheduled for completion in 1984.

Other major downtown projects in the planning or construction stages included the David Lawrence Exposition Hall, a new convention center scheduled to open early next year, a $200,000,000 office development backed by U.S. Steel, and a twin 40-story office tower complex. In addition, Saks Fifth Avenue opened its first downtown store this year.

"There was no downtown development in the four or five years prior to these projects," says Ed Lewis, general partner in the Oxford Development Co., owner and operator of the two largest malls in the Pittsburgh area.

■ Pittsburgh's largest restaurant, seating more than 500 people, also opened this year in Station Square, a railroad yard renovation project on the city's south side. City officials expect this unique shopping mall to attract more than 100 specialty shops by early 1980.

The city stengthened its financial standing this year with the addition of five foreign banks from Canada, England and the Netherlands. And 55 of the area's 122 foreign owned companies have come to the region within the last three years— a statistic that greatly encourages local businessmen.

"We've been able to attract some high technology companies from Europe," says Mr. Aldridge. "Diversification is one of the key words in Pittsburgh's development. They do a great deal of research in new products that bring the area prestige."

"If optimism can be measured by regional investment," adds Evan Stoddard, economic development planner of the city's planning department, "then optimism is high." Regional investment by such electronics firms as Motorola Corp. has soared, thanks to Carnegie Mellon University's highly respected graduate electronics and engineering programs.

And Volkswagen plans to pump more money into the area. Now that diesels are rolling off the New Stanton assembly line, VW says it intends to expand facilities and employment at the plant by 25%.

Like most old industrial centers, Pittsburgh has its share of problems. Transportation, always a sore spot, remains an obstacle. The city has committed funds to the construction of a limited downtown subway system connecting with the South Hills. Expansion of express bus systems and reconstruction of most of the downtown road network are planned for the next five years.

Labor unrest and steel imports still concern Pittsburgh's business community but, over-all, optimism prevails. "A drop in steel production will hurt the city, but not as much as it once did," says Mr. Robertson, the Mellon bank economist. "I'm optimistic that the 1980 recession will have much less impact on Pittsburgh than on other manufacturing areas in the U.S."

Rochester, N.Y.

Population	969,800
Rank	38th
Personal income	$7,520,000,000
Income '77 vs. '76	8.36%

Its area and population give Rochester, N.Y., a small-city flavor, but its numerous colleges and large industrial complexes have the effect of converting it into a thriving metropolis.

Rochester is presently enjoying low unemployment—below 5% in September—and, compared to many cities, it enjoys a relatively high standard of living, with a median household income of $17,500.

The city attributes much of its current well-being to the companies residing there. Approximately 40% of the more than 256,000 residents are employed by fewer than a dozen companies. Eastman Kodak Co., the worldwide film and photographic manufacturer, alone employs over 50,000.

Industry throughout the city is growing. According to the Rochester Chamber of Commerce, "some 30 to 40 small local firms have announced plans for expansion within the last year."

In addition, a technical high school just opened its doors and a $53,000,000 recycling plant is scheduled to open Jan. 1, 1980. Also, builders in nearby Henrietta are awaiting word on permits in order to begin construction of a 1,000,000 sq. ft. shopping mall. Permits to begin building are expected to be approved by mid-November.

■ Rochester officials, however, have voiced concern over the building of the mall, to be called The Market Place. They fear the mall will seriously hurt retail sales in the inner city.

The recent growth in industry has also brought an improvement in housing starts. "While housing starts are up from last year," a Chamber of Commerce official said, "it does not reflect how bad it was in 1976-77."

In 1977, building permits in the Rochester area were down by 25%. The cost of building a new home in the area is approximately $50,000.

So far, Rochester has not experienced a severe energy problem. "The utilities have more than enough gas and electricity," for the city and the surrounding counties, the chamber of commerce said, adding that the additional gas and electric power was being sold to other cities within the state.

The energy surplus was in part due to the power produced from a nearby nuclear power plant, which has been in operation for 10 years.

■ The city and surrounding counties house nine colleges and universities, the most notable being the University of Rochester, which includes the Eastman School of Music.

Culturally, the city offers a philharmonic orchestra and computerized planetarium. The Genessee Country Museum in Mumford is one of the Rochester area's most popular tourist attractions. The Margaret Strong Memorial Museum, expected to be completed by 1981, will house a collection of dolls and Victorian artifacts.

Syracuse, N.Y.

Population	649,600
Rank	58th
Personal income	$4,218,000,000
Income '77 vs. '76	9.36%

It was an upbeat year for Syracuse, with employment and retail sales both gaining 5% and housing maintaining a stable rate.

The momentum came from activities in the cultural, sports and educational fields, as well as in the business community. Part of the optimism stems from the relatively low unemployment rate of 5.1% (as of June '79), compared with 6.9% statewide. Unemployment also has been running below the national level.

Looking toward the '80s, some sources noted the city has the built-in advantage of a comfortable mix of manufacturing and nonmanufacturing payrolls

■ Carl J. Borning, associate director of economic development, Greater Syracuse Chamber of Commerce, pointed out that business expansion in general was brisk in 1979. Although no single move had been as large as Chrysler Corp.'s which added about 1,900 jobs this year, smaller companies have grown "beyond expectations."

As an example, he cited the Onondaga County Industrial Development Agency's $36,000,000 bond issue for 19 companies that should provide 2,000 new positions by mid-1980.

Also in the works: A third office tower at the MONY plaza, several other new buildings and a 22-acre industrial park adjacent to the cen-

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tral business district. The chamber of commerce and the city are collaborating on the latter project.

There is also a new Syracuse State Theater to attract playgoers, and the Syracuse Symphony has augmented its schedule to the delight of music lovers.

■ When questioned about the outlook for the '80s, Dorothy Newer, business editor of the *Syracuse Post Standard*, one of two Newhouse papers in the city, was a little concerned about the uncertainties at Chrysler Corp. and what that might mean for Syracuse's economy.

The Chrysler plant, she pointed out, makes transfer boxes for American Motors Corp. as well as for Chrysler; those components are sure to be needed regardless of what happens to the Detroit auto maker.

Other sizable employers in the market include Niagara-Mohawk Power Corp., General Motors Corp., General Electric Co. and Crouse-Hinds Co. Another standby for workers in this area is Carrier Corp., from which even greater things are expected since it became a part of United Technologies.

The $100,000,000 brewery built by Schlitz only three years ago is to shut down for the present, but will reopen under new management. Schlitz decided to close because of lack of demand. Anheuser-Busch, which sees the prospects differently, is taking over, but a year-long hiatus is anticipated before the Bud flows.

Sycracuse gets most of its energy from natural gas and hydro and nuclear-powered electricity. As a result, it has not suffered any great disruptions because of energy shortages and price increases. Anticipated growth, of course, could be curtailed if there is another national oil crisis.

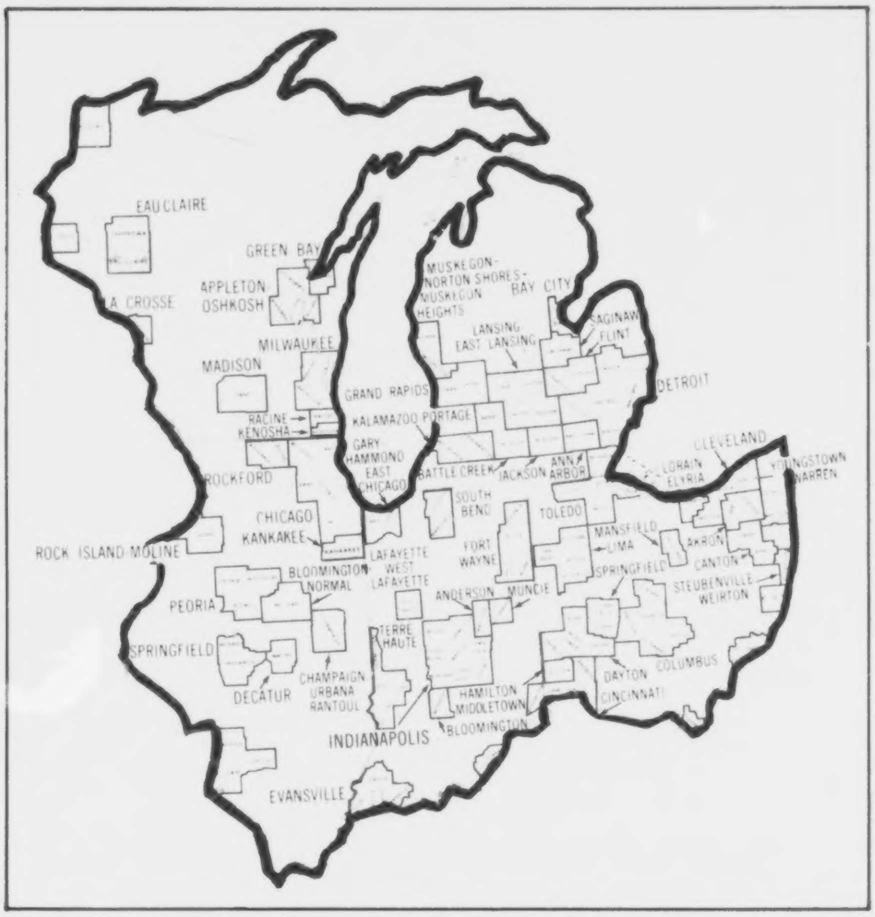
Whatever the national or international gyrations, the No. 1 employer will continue to be Syracuse University, whose enrollment totals 24,000. Its business school is being enlarged, and LeMoyne College is building a new library.

A domed $26,000,000 stadium under construction should attract more collegiate events. The Syracuse invitational hockey tournament is back on the schedule after a year's interruption, and the Carrier Classic, a college basketball tournment, continues.

Elsewhere on the sports scene, Syracuse is returning to professional hockey with the Syracuse Firebirds of the American League and the annual collegiate rowing regatta keeps right on rowing along.

The mountain and lake surroundings have helped to make Syracuse popular with conventioneers and vacationers. In 1979, the city played host to 200 conventions attended by 115,000 people. Even more people—725,000—were lured to the New York State Fair. Another big attraction—Agway Inc., a farmer's cooperative, reportedly grosses about $2 billion in sales annually.

Local historians point out that the area's first convention of sorts was held in 1570 on the shores of Lake Onondaga with representatives of the Cayuga, Mohawk, Oneida, Seneca and Onondaga Indian tribes in attendance. The corn dance festivities of the Onondagas, whose central leaders live near Syracuse, are staged each year at the state fair.



East North Central

Akron

Population	657,000
Rank	57th
Personal income	$4,583,000,000
Income '77 vs. '76	11.94%

Will the renovation of the old Quaker Oats silos into a luxury hotel help the fledgling Akron convention industry begin to feel its oats?

Will the Akron economy be able to bounce back from the blow dealt it by the troubled rubber industry?

Will the city be able to cope with the dislocations certain to arise as a result of changing from a blue to a white-collar labor force?

Will the new national park being developed nearby enable Akron to change its image from that of the World's Tire Capital to one of an area replete with outdoor recreational opportunities?

■ These are but a few of the questions facing the Akron community as it attempts to cope with fundamental changes in its economy. After a quarter century during which the city saw its rubber industry employment drop from 50,000 to a bit more than 10,000, the major tire companies gave indications that the long slide in employment may have begun to reverse itself in 1979.

Goodyear Tire & Rubber Co. has committed itself to building a $75,000,000 Technical Center near downtown Akron and has announced plans for a $2,000,000 renovation of its Akron aerospace operations. General Tire & Rubber Co. has decided to locate its new world headquarters in the Akron area, and B.F. Goodrich Co. plans to spend $25,000,000 renovating its existing facilities.

None of these developments may be of much direct help to those who lost their manufacturing jobs, but the plans will certainly increase the number of white-collar research and management positions available in the area.

Other efforts to bolster the city's economy are also under way, including the Hilton Hotels project to turn old oats silos into a 260-room hotel.

Hilton is hoping to duplicate the success enjoyed by the Quaker Square shopping center, a much-lauded renovation project that converted other former Quaker facilities into a shopping center that has attracted retail trade from throughout northeastern Ohio.

The hotel's construction fits perfectly with the preliminary findings of a study done for the city by American Cities Corp. According to the study, one of the keys to reviving the city's central business district is to increase convention trade, which will require an increase in the number of hotel rooms in the city.

City officials also hope that a planned network of pedestrian "skyways" linking various downtown buildings will create a mall-like atmosphere and draw visitors downtown, and the possibility of creating a festive farmers' market and cluster of boutiques along the city's riverfront is also being examined.

In addition, the city hopes to be able to increase the number of people residing in the downtown area but, aside from some housing for senior citizens, the trend toward in-city living that has helped downtowns in many other cities has not hit Akron yet.

Another source of optimism is the continued progress on the 30,000-acre national park under development between Akron and Cleveland. Though skeptics say that the park will never be anything more than a recreational facility serving central Ohio, Akron boosters are quick to point out that the park is within a day's drive of 60% of the nation's population and that the rising cost of gasoline makes this proximity an important drawing card.

Though the city has not allocated funds to spread word of Akron's riches to other parts of the nation, attempts are being made to persuade the city's major corporations to mention Akron in their national advertising.

Canton

Population	403,700
Rank	94th
Personal income	$2,688,000,000
Income '77 vs. '76	10.3%

Betting blue chips on the near future, four Canton area companies are planning expansions and improvements totaling almost $250,000,000. The Timken Co., maker of roller bearings and other high-grade steel products, is the area's major employer with 10,000 on the Timken payroll.

Timken will spend $30,000,000 to increase its steel bar, shipping and development facilities. Plans also include doubling its research staff and expanding medical services for its workers.

Republic Steel Corp., with 7,500 employes, the area's second largest employer, recently completed a waste-water treatment plant that cost $10,000,000. Now, Republic plans a larger bar steel mill, at a cost of $200,000,000, to replace a mill in Canton and one in nearby Massillon.

Jones & Laughlin Steel plans to spend $14,000,000 to enlarge a rolling mill and the Portec Co., which forges steel for railroad cars, plans to spend $3,000,000 to expand.

■ Approximately 450 persons lost their jobs at Perkins Diesel Corp. in October when this Massey-Ferguson division closed its Canton plant and transferred that operation to plants in Iowa and Michigan.

Nonetheless, employment rose to 162,900 in August, up almost 4% in a year.

Three financial concerns — the Citizens Savings Assn., the Harter Bank & Trust Co. and the United National Bank & Trust — enlarged their facilities and operations this year.

A fourth, the Columbus-based BancOhio, said it will open a downtown Canton office and three branches.

■ Canton's languishing downtown area is scheduled next spring for a $97,000,000 rejuvenation to be financed 50-50 by public and private funds. A four-year project called New Market would revitalize eight deteriorating downtown blocks adjacent to Stern & Mann's, the only department store left downtown.

In the first phase of the program, six structures are due to rise — a new terminal for Canton's Regional Transit Authority; a 1,500-car parking structure; a $15,000,000 hotel containing 308 guest rooms and 32 condominium units, a conference center linked to the hotel to attract regional and statewide business groups; an office tower with 234,000 sq. ft. to be leased by local and state government offices, perhaps courtrooms and a police headquarters, too, and a tower providing 255,000 sq. ft. of private office space. Specialty shops will be offered 35,000 sq. ft.

The private money reportedly is ready and the enterprise now hinges upon public money, including $14,000,000 in federal urban development and urban mass transit grants.

The second phase, to be completed before 1985, would include two additional office buildings, another 1,500 parking facility, and 100,000 sq. ft. more of retail space.

Meanwhile, an historic Victorian house, once favored by Canton's own President William McKinley, is being restored to serve as a 260-seat restaurant and focal point for the urban revival.

Proponents of New Market say it will not lure department stores to return downtown, nor will it challenge the commercial developments burgeoning on Canton's rim. There, five miles north of town, beside Interstate Highway 77, the nine-year-old, 75-acre Belden Village with its enclosed mall of 68 stores, awaits a new next-door neighbor — Belpar.

Belpar's 150 acres are being laid out to hold an 18-acre shopping plaza of colonial motif called Belpar Square, an $8,000,000, 185-room Hilton Hotel, a tower of office suites, a medical center, convention center, bank buildings and apartments.

It is estimated that Belpar will cost $100,000,000 by the time it is completed in 1982.

Chicago

Population	7,029,600
Rank	3rd
Personal income	$59,800,000,000
Income '77 vs. '76	9.04%

It was the winter of discontent for Chicago. Not only did Chicago business lose an estimated billion dollars worth of business as a result of 80 inches of snow, but Chicago also elected a new, and unexpected, mayor.

In an unprecedented defeat of the established Democratic organization, and the traditional business-labor coalition, Jane Byrne buried Richard J. Daley's successor Michael A. Bilandic. Chicago will never again be the same.

It was a year of political, social and economic upheavals for the windy city. The on-again, off-again Chicagofest was on to the delight of millions of visitors. And Mayor Byrne, after backing off of Chicagofest because of the expense, added neighborhood fests, an

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added neighborhood fests, an autumnfest and winterfest. Pope John Paul II drew record crowds throughout the city, although the exact numbers were a controversy after he left the city.

■ Chicago's corporate giants participated in the new American business pasttime of mergers and acquisitions. Maremont, an automotive parts manufacturer, was bought out by a Swiss company, Suisse Aluminium.

One of the city's largest banks, LaSalle National, formerly owned by GATX Corp., was bought by the Dutch bank, Algemene Bank Nederland. And the British bank, Midland Bank Ltd., unsuccessfully attempted to buy the giant financial services company, Heller International. Suburban McGraw Edison completed its purchase of Studebaker at the end of the year.

Chicago has a broadbased economy rooted in an historic manufacturing base. After the initial snow setback, a business recovery began and generally continued throughout the year. For example, metropolitan Chicago, a national center for steel production, was operating at or near capacity for almost all of 1979.

Unemployment in September in the Chicago metropolitan area was at 4.8%, more than a full percentage point below the national average. Some of that reflects the move away from manufacturing to service related jobs. In the last 10 years, manufacturing jobs as a percentage of total employment dropped from 38% to 31%.

■ There were no major business relocations into Chicago in 1979. However, the city's Economic Development Commission began to reap the rewards of a program aimed at keeping business in the city.

Five in-city industrial parks were designated for special economic incentives including land write-downs, reduced real estate taxes and the use of industrial revenue bonds to help keep local industries expanding in Chicago.

Intercraft Industries leased 85,000 sq. ft. in the old International Amphitheater instead of moving out of the city to a suburban site. All of the economic incentives were employed to keep Intercraft.

Reflecting the strength of industrial activity, available industrial space was at its tightest level in three years, according to a quarterly survey by the real estate firm, Arthur Rubloff & Co. Joseph Dillon, head of industrial real estate for Rubloff, anticipated an increase in the cost of local industrial space if the present tight market does not ease up substantially.

■ Indeed, besides snow, real estate was the big news in Chicago. Nine major new downtown buildings are nearing completion with at least two fully rented before the doors open up. Two more new buildings were announced in the fall. Chicago has been eating up office space in downtown Chicago at a rate exceeding 1,000,000 sq. ft. a year. The average cost for new office space in the Loop now runs around $15 per square foot.

The office boom has also hit the Chicago suburbs in a big way. The northwest suburban Schaumburg area, adjacent to the gigantic Woodfield Mall, now has 10 new buildings, with more than 100,000 sq. ft. each, under construction.

That market has also seen a boom in hotel construction with the latest being the new Hyatt Woodfield, a 476-room hotel now under construction.

Also announced this year are plans for a new Hilton Hotel in Chicago's Loop. It will replace the old Conrad Hilton on South Michigan Ave. That project, however, still has a number of hurdles involving federal funds to overcome before construction can begin.

■ In residential construction, 1979 will go down as the year of the condominium. During the first half of the year, conversions of existing apartment buildings, especially along Chicago's lakefront, accelerated at a pace probably unmatched elsewhere in the U.S.

No one has exact figures, but condomania was probably best illustrated by the 2,600-unit conversion of Carl Sandburg Village on Chicago's Near North Side. It's touted as the nation's largest condominium conversion.

Indeed, conversions reached such a frantic pace that restrictive legislation became an issue in Chicago's mayoral campaign, although no lasting legislation was passed. Two suburban communities, Evanston and Oak Park, also experienced wholesale condominium conversions.

Everything came to a halt in the fall, however, with the implementation of the Federal Reserve's restrictive monetary policies and the dramatic jump in interest rates. Illinois financial institutions, restricted by a state usury law which kept mortgage rates around 11%, either stopped home mortgage lending altogether or required such large down payments as to make homebuying impossible for most citizens.

That was an abrupt change from earlier in the year when the city issued mortgage back revenue bonds which made it possible for city residents to borrow at rates around 8%. Chicago suburbs also issued similar mortgage bonds. Bell Federal Savings & Loan Assn., which keeps tabs on local housing permits, reported that single family permits dropped more than 50% during the second half of the year.

■ The new mayor also changed many of the city's economic priorities while watching city bonds being downgraded by Standard & Poors. City employment was cut and she said she would allow the unionization of city employes and collective bargaining.

The mayor jettisoned the much criticized Crosstown Expressway and probably on the way out is a proposed new subway for the downtown. Those funds are supposed to be used for improvements in mass transit and new bus and subway cars. Remaining is the proposed extension of the El to Chicago's O'Hare Airport.

O'Hare, still the world's busiest airport, saw a minor bit of competition from the old Midway Airport on the city's Southwest Side. Midway is now the home of Midway Airlines, a new budget commuter airlines to several midwestern cities.

Airline congestion and severe parking problems still plague O'Hare. Relief may be in sight because the federal government announced it would sell its military facilities at the airport to the city. That means Chicago may see a new international terminal, and expanded domestic terminals, in the next five years.

■ Although unfinished, the new $17,000,000 State St. Mall opened in October, just in time for the Christmas shopping season. John Colter, of the Chicago Assn. of Commerce and Industry, reports that Chicago is now No. 1 in retail sales of major metropolitan areas. His estimate runs around $31 billion in sales for 1978.

Gas lines appeared briefly in Illinois and the Chicago area with the result that passenger rail traffic increased between 6% and 7%. The Regional Transportation Authority has had little success in convincing local businesses to stagger working hours in order to get better utilization of existing transit facilities. Also, in November, the RTA upped commuter rail fares and Chicago subway and bus fares, by about 20%.

Industry was also angry at the jump in Illinois business income tax. The increase, from 4% to 6.85%, was to replace revenues lost by the elimination of the Illinois corporate personal property tax. Continental Illinois Bank has sued the state, arguing that Illinois now collects more revenue from the increased income tax than it did with the personal property tax.

■ Chicago continues to be one of the biggest convention centers despite the poor weather. Reflecting the strong business, McCormick Place will be expanded by another 80,000 sq. ft. of exhibit space. That's in addition to Donnelley Hall, which added 360,000 sq. ft. of space to the complex in 1978.

With the increased exhibition space and the new hotels, Wayne Dunham of the Chicago Convention & Tourism Bureau expects Chicago to maintain and increase its position as the No. 1 convention city in the U.S. Convention, trade show and corporate meeting attendance hit 2,500,000 in 1979 up from 2,400,000 in 1978. Those attendees spent an estimated $588,800,000 in Chicago in 1979 up from $524,700,000 in 1978.

Mr. Dunham expects 1980 to be even better because Chicago has lined up some substantial new business. The American Mining Congress is coming to Chicago for the first time in 1980 and the Rotary and the Lions chose Chicago as their 1980 convention site after more than 10 years of avoiding the second city.

Cincinnati

Population	**1,389,100**
Rank	**26th**
Personal income	**$1,002,100,000**
Income '77 vs. '76	**+11.06%**

The national economic downturn doesn't seem to affect Cincinnati, where employment was up 6.6% by early fall, new businesses are opening and retail expansion continues.

The major employers in the Cincinnati market—the university and Procter & Gamble—are the types of businesses not usually affected by economic fluctuations.

Other major employers also are reported in a good position. According to David Pawn, research manager of the chamber of commerce, the General Electric Co. aircraft plant is in a good contract position as is Cincinnati Milacron, manufacturer of plastics, automobile parts and machinery. This company also is planning an expansion in Clermont County that will add 40,000 sq. ft. to the plant.

■ Several large projects reported underway last year will be opening early in 1980. Ford Motor Co., for example, is planning a start-up date of March or April for its transmission plant in Clermont County that will employ 3,500 persons, mostly skilled workers.

The company sponsored several days of recruiting workers last summer and, according to business editor Bill Styles of the *Cincinnati Post*, "people flooded in from miles around."

Also opening early in 1980 is a Montgomery Ward's distribution center maintaining a target date of February. The warehousing operation is expected to employ 100 workers, mostly in unskilled categories.

Several of this year's developments point toward more upscale trends. On the cultural side, Michael Gielen, most recently of the Frankfurt Opera and the London BBC Symphony, was appointed music director of the Cincinnati Symphony.

He will begin his fulltime duties in the 1980-81 season, but will conduct two groups of concerts this season. The orchestra has undertaken a mail order campaign for both single ticket and season ticket sales.

■ In retailing, a project designed to resemble San Francisco's Ghiradelli Square is under way in Cincinnati's Union Terminal. The station is said to be one of the country's finest examples of Art Deco architecture, and is listed in the National Historic Register.

Scheduled for a March opening, the complex will house a posh disco, fancy restaurants, F.A.O. Swartz and Loehman's clothing store, as well as many other retail establishments.

Saks Fifth Avenue, which has been talking for several years about moving into the area, still has not decided whether it will locate downtown or in a wealthy suburban neighborhood.

On the building front, several projects continue, including One Lytle Place, a 200-unit luxury apartment tower on the riverfront; Garfield Place, a 100-unit housing tower downtown, and the Atrium of the Fountain Square South project, where 80,000 sq. ft. of retail space will be available.

The downtown library is being expanded at a cost of $17,000,000, and the city continues to add to its skywalk system, which reported a great increase in foot traffic during the past year.

■ As part of the Fountain Square South project, Western International has begun building a 450-room hotel to be called Cincinnati Plaza.

Shopping centers development continued on schedule as the Eastgate Mall, scheduled for a March, 1980 opening, added 45 retailers to anchors Sears and J. C. Penney. In northern Kentucky, the Crestview Mall recently saw the opening of its anchor—Mercantile's McAlpins—and will open the rest in 1980.

Last year, the city was excited about the foreign trade zoning that was still waiting for approval. This year, one of the two zones has begun to receive shipments. The chamber of commerce now is working on ways to market the benefits of the zones to area companies.

Cleveland

Population	**1,938,900**
Rank	**17th**
Personal income	**$16,211,000,000**
Income '77 vs. '76	**+10.63%**

The industry-lined, ship-crowded Cuyahoga River which twists through Cleveland is not expected to catch on fire again, as it did three times in 40 years, most recently in the mid-1960s.

The Cuyahoga's water, once blackened with flammable oil and chemicals, has been somewhat cleansed by new water-treatment plants of Republic Steel and other mills along the busy river. And, as the Environmental Protection Agency noted, some species of fish have returned, apparently no longer afraid of being smothered or boiled in oil.

Antipollution measures have washed the air, too, sharpening Cleveland's skyline, making it easier for city boosters to identify and admire the structures rising in a $200,000,000 construction boom in the heart of the city.

Far above Euclid Ave., ironworkers topped off the girders for the $60,000,000, 35-floor, block-long National City Bank Center, which will contain 780,000 sq. ft. for offices, 95% already leased before the center opens late next year.

At ground level, a 14,000 sq. ft. pedestrian mall at Cleveland's major intersection—Euclid Ave. and East Ninth St.—will await many of the 300,000 persons who are downtown each business day.

At another corner, a sunken garden and a restaurant with outdoor tables will be created in response to pleas that downtown Cleveland be given a touch of New York.

Just across Euclid, ground is to be broken for twin towers, estimated at $50,000,000, in another block-long development that eventually will cost $128,000,000 and devour Cleveland's only remaining downtown film palace, the 72-year-old Hippodrome Theater where, it is said, the high notes of Caruso once flaked gilt paint off the distant ceiling.

■ Emerging in the same six-block district are a $7,000,000 headquarters for the Regional Transit Authority and a six-tier $3,000,000 parking structure that will provide space for street-level shops, including Julius fine men's wear—the first major retail development north of Euclid Ave. in more than a quarter-century.

The structure is adjacent to St. John's Cathedral, on land of the Cleveland Catholic diocese which it leased to bring income to the diocesan schools.

Also on the Catholic property, a 28-floor, $30,000,000 office tower will be erected by Detroit's Oliver Tyrone Corp., encouraged by the 98% occupancy of Cleveland's downtown office space.

In 10 years, more than $750,000,000 have been invested in downtown construction, including the recently opened 13-story, $26,000,000 State of Ohio regional office building, explains Virginia T. Felderman, information director, Greater Cleveland Growth Assn.

■ Ms. Felderman says the almost-total occupancy of offices has been significantly influenced by the rapid growth of "business support services"—accounting and advertising, computer, research and development firms, public relations and the like. "We expect them to spread even faster here in the 1980s."

No single industry dominates Cleveland. It is not a mill town, not an auto town, not strictly a factory town. Of the 897,000 jobs in the area last year, only 30% were concentrated in manufacturing, Growth Assn. figures show. "That is probably the reason our unemployment runs consistently lower than the Ohio and U. S. rates," Ms. Felderman said.

Cleveland may be evolving into a new kind of city, said Richard Knight, a professor of urban economics at Cleveland State University, discussing his study of the 39 corporate headquarters in Cleveland, the third-largest concentration in the nation.

Mr. Knight found that although these corporations' manufacturing employment declined between 1962 and 1972, their worldwide sales trebled—to more than $15 billion.

■ The amount these 39 corporations spent for "advanced services" also more than trebled—to $400,000,000—and $318,000,000 of it was spent in Cleveland.

"It has become evident," Mr. Knight said, "that Cleveland's future depends on whether the region will effectively compete with

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other cities as a base for advanced services. The next five years are critical."

As to Cleveland's general economic health and its municipal debt problems, the Growth Assn. has this to say: "Behind the bold national headlines proclaiming the gravity of the City of Cleveland's default [first on $15,000,000 and later, about $12,000,000], there lies a generally untold story of a metropolitan area that is thriving economically.

"Cleveland's fiscal troubles are centered within the city limits and the political arena. Aside from that, the Cleveland picture is anything but bleak."

Warfare between the city government and the business and financial establishment overshadowed most perceptions of Cleveland in recent years. The defeat of populist mayor Dennis J. Kucinich brings to office a moderate who promises to bridge the gaps and give the city the kind of businesslike management which will earn the confidence of the industrial and financial community.

Columbus, O.

Population	1,088,900
Rank	35th
Personal income	$7,388,000,000
Income '77 vs. '76	+11.35%

Early in 1980, Columbus, O., will break a $300,000 advertising campaign in business, industrial and general publications under the headline, "Columbus—We're making it great." In 1979, there was plenty of activity to support that claim.

Construction totaling $20,000,000 is under way at the Busch Corporate Center, a new 155-acre industrial and commercial park, adjacent to the Anheuser-Busch Brewery on the city's northern rim. A subsidiary, Busch Properties, is the developer.

Ten buildings are occupied by 100 firms, including a $1,000,000 car-driving skill game called Malibu Grand Prix, operated by a subsidiary of Warner Communications.

When completed, the Busch center will provide 1,000,000 sq. ft. of business space. It will have a 310-room, $14,000,000 Marriott Inn for business visitors and for those hard-core football fans who roar down nearby Interstate 71 to see whether Ohio State has reverted to the three-yard-and-a-cloud-of-dust strategy of former Coach Woody Hayes.

■ On the city's western edge, the 500-acre, $18,000,000 Westbelt Business Park is being laid out and graded for construction sites. The developers, the Vantage Companies and Prudential Insurance Co., were reported ready to option an additional 800 acres there. Westbelt is near the interchange of Interstate 70 and bypass Interstate 270, a teeming hub for transportation from all points of the compass.

In the same area, the Sears Regional Distribution Center is doubling its capacity, adding 2,000,000 sq. ft. at a cost of $40,000,000—which is viewed as strong evidence that Columbus holds a strategic location.

Downtown, work is reported on schedule at the 28-acre, $67,000,000 Ohio Center of convention facilities and shops, and progressing as expected at the 16-acre Capitol South development. The projects, both on important High Street, will bracket the business area from the north and south.

For the Ohio Center project, Nationwide Insurance is proposing two major office towers, for investment purposes, and a hotel in addition to that project's future 600-room Hyatt Regency in which Nationwide is to be a limited partner. Although 7,000 hotel and motel rooms are listed in the area, convention promoters say rooms are "woefully scarce" downtown.

■ In Capitol South, Western International has taken an option to build a 400-room hotel. A local firm, Banning & Picket, has signed to erect two office buildings. The Highview Co. Development Group said that late this year it would start a nine-floor office building. Cost of the office structures is estimated at $40,000,000.

A peace pact involving $308,000,000 worth of current Columbus construction was announced by 30 management groups and labor unions. They call their convenant Operation MOST—"management and organized labor striving together"—and promise to avoid strikes and work stoppages.

Retail business is reported "soft." But worriers perked up when the Lazarus Co., seldom known to stub its toe, opened its downtown store on Sundays, putting it in step with the five Lazarus branch department stores.

In another act of faith, Lazarus took over the sites abandoned by three of Gamble-Skogmo's Buckeye Mart discount stores, and created three economy merchandise discount stores under the Lazarus Capri banner.

A retailer watcher said, "They are highly attractive basement budget stores set on top of the ground." They had to solve an early, enviable problem—keeping stock ahead of sales.

■ Unemployment in the area was 5.2% in August, up from 4.6% the year before, a rise partially caused by the demise of Federal Glass Co. and its 1,500 jobs. But Columbus stayed below the national jobless rate, 5.5%, and below the state rate of 6.9%.

In housing, a rising demand for rentals and increasing conversions to condominiums cut down the number of available apartments, triggering rent increases and encouraging multifamily structures. In August, Columbus builders started 388 units in multiple residences and 331 single-family residences, as total housing starts dropped 10%.

Condominiums make up 15% of the present housing market and by 1985 will account for 30%, the Columbus Board of Realtors reported. There is also a surge toward old but sturdy houses that are close to downtown.

"They give you more square feet for your dollar," said a chemist who bought and remodeled one, "and they free you of the cost and woe of commuting."

The back-to-the-city migration gains momentum from a renovation project which will brighten a dozen Columbus city blocks, involving 330 houses and 114 vacant lots—65% of the properties in a 100-acre zone touching the Victorian Neil Ave., just south of Ohio State University.

■ The properties, once purchased by the world-famous Battelle Memorial (research) Institute for a prospective but canceled expansion, are being reconditioned and sold under the guidance of a Battelle subsidiary, Olentangy Management Co., in a program that is said to be one of the largest residential renovations undertaken in this country by a private sponsor.

Battelle, a nonprofit charitable trust, provided $12,000,000 and the City of Columbus sought $3,000,000 from the Department of Housing and Urban Development for the residential revival. About 100 born-again houses have been sold to young singles, to corporation executives, Ohio State professors and the like, many of them deserting suburbs for the central city.

A major contributor to the community's cash flow is Ohio State University. To function this year, it will spend $400,000,000, up 8%. Its students will spend $100,000,000 to live and eat and enjoy.

Its spectator sports will yield $9,700,000, a 2% increase, to be used in the athletic department's varsity and intramural programs. Furthermore, football fans attending the home games lay out an estimated $2,300,000 for meals, drinks and lodging.

Elsewhere in the market, Warner Cable Corp.'s two-way cable tv station Qube installed a satellite receiver and arranged to get the signals of WOR-TV in New York, WGN-TV in Chicago and KTTV in Los Angeles.

In another step, Qube is offering its subscribers a service to combat burglary. Qube installs a home terminal that is connected to a central computer, and which—when activated—makes a sweep of the home every 10 seconds to determine if it has been entered.

Dayton

Population	834,200
Rank	45th
Personal income	$6,045,000,000
Income '77 vs. '76	+10.49%

No one could blame Daytonians for becoming dejected over the ills that befell their economy during 1979.

Early in the year, General Motors sold its Frigidaire division to White Consolidated, with the bulk of Frigidaire's 6,800 Dayton-area jobs expected to be transferred out of the area. As the year progressed, the summer's lagging auto sales caused significant layoffs at GM's Dayton operations.

As GM reacted to a sluggish market, so local tool and die companies reacted to GM's cutbacks—and the effects were passed on to other segments of the Dayton economy that depend upon these two industries.

Not surprisingly, Dayton's unemployment rate shot up to almost 9% this August, as compared with about 5.5% in 1978.

■ Disturbing as these developments were, upbeat forecasts for the city's economic future helped balance the picture.

The loss of the Frigidaire jobs was offset somewhat by White Consolidated's decision to make Dayton a major headquarters for its appliance operations, an action that will keep about 600 jobs in the Dayton area.

Even more encouraging was news that GM plans to convert the former Frigidaire plant into a facility to manufacture light trucks and diesel engines, a decision that is expected to add approximately 4,500 jobs when the plant opens in the spring of 1981.

Also encouraging is the fact that construction of the long-delayed Arcade renovation project is nearing completion.

Located across the street from the successful Courthouse Square urban renewal project, the one-block downtown area includes five buildings on the National Registry of Historic Places. When renovation is completed in early 1980, the Arcade will house a variety of small specialty shops.

■ The Courthouse Square and Arcade projects are part of a long-term effort to revitalize Dayton's downtown area. In the last decade, some 40 buildings—including the 29-story Winters Bank Bldg., 26-floor Mead Co. world headquarters and the new county administration and federal office buildings—have gone up in the downtown area.

The downtown retail trade has been helped significantly by this construction, but Dayton planners still are dismayed by the lack of residential construction in the downtown area.

Downtown is not the only part of Dayton getting a facelift. During 1979 a large plot of land owned by NCR Corp. also received urban renewal designation from the city.

The property tax abatement that goes along with the urban renewal designation will facilitate development of the land and the plans agreed upon by the city and NCR includes office, parking and hotel developments. Negotiations currently are under way among the city, NCR and representatives of Marriott hotels.

■ Should Marriott decide to build a hotel on NCR land, it will help keep the hotel trade among the fastest growing segments of the Dayton economy. The Dayton Inn, which underwent a $3,500,000 renovation in 1979, was to reopen as a first-class, luxury hotel by the end of the year.

The profitable, three-year-old Stouffers—which is part of a complex that includes a 70,000-sq.-ft. convention center and a 1,500-car garage, surrounded by a city park—continued to do strong meeting and convention trade in 1979.

From 100 to 125 rooms and a 10,000-sq.-ft. ballroom may be added to the complex during 1980.

Detroit

Population	4,286,400
Rank	5th
Personal income	$37,300,000,000
Income '77 vs. '76	12.96%

"Detroit's continued rebirth is not assured," says Henry Ford II, chairman of Ford Motor Co., and a major mover in the showpiece Renaissance Center. "We can't rest on recent successes. In today's economic climate, they're fragile".

Just how fragile Detroit's comeback can be and how dependent on the prosperity of its major automotive employers surfaced dramatically when Chrysler ran into financial trouble and appealed for help this fall. Labor and industry representatives warned that the Motor City would strip its economic gears if Chrysler was allowed to go under.

"To understand what would happen in Detroit, you must imagine a city without the financial means of providing even the most basic services, much less the special needs of a community with depression level unemployment," testified Douglas A. Fraser, president of the United Automobile Workers.

"You must imagine a city without one of its largest taxpayers. And you must understand that there would be a wholly disproportionate and unfair impact on blacks who comprise a remarkably high percentage of the Chrysler work force," he told Congress.

■ A Department of Transportation study echoed the morose response to a Chrysler shutdown, saying the impact could cause a regional depression.

"Volatile auto economics have always had a strong effect here [in Detroit], but this situation is different because it means a permanent loss of the production base. A shutdown could shoot unemployment rates from 8.7% to 16% to 19% immediately recreating the depths of the past recession . . . as a permanent change.

"One needs no strong reminder of previous social unrest in the Detroit area.

And Detroit would get little benefit from production picked up by General Motors and Ford, the report contended. "Even if workers could be reemployed elsewhere, the downtown area of Detroit would be left empty."

■ The Chrysler crisis hits Detroit at a time when things seemed to be moving again. In the same speech in which Mr. Ford was warning that the gains are "fragile," he went on to say that "the city has rounded the corner toward a thorough revival."

That view was mirrored in a survey commissioned for New Detroit, the urban coalition formed after the 1967 riots.

The survey found that nearly two-thirds of the tri-county area residents believed race relations have improved "at least somewhat." Race relations are no longer mentioned as one of the city's major headaches. Crime is now regarded as the biggest problem, with unemployment a fast-rising second, even without a Chrysler shutdown.

The New Detroit research study said the city has experienced a "rebirth of pride in its people and its buildings." Although that feeling of optimism has leveled off among city blacks, suburban optimism rose to nearly the same level as Detroit's.

■ The five riverfront towers of the Renaissance Center are the most visible symbols of the comeback. And then there is Rockefeller Center Inc.'s Ren Cen II, a pair of 21-story high office buildings, a $75,000,000 addition to the original.

"Even Chrysler's storm clouds will not make enough of an impact to break the tempo of the Renaissance Center and the rebirth of Detroit," said Rockefeller Center Inc.'s president Alton G. Marshall.

Growth is enormous. The $225,000,000 Cadillac Square Shopping Center, downtown, is anchored by Hudson's Department store. The $26,500,000 Joe Louis sports and convention arena is nearing completion. It will seat 20,000 as well as housing the hockey Red Wings.

The *Detroit Free Press* has completed a $45,000,000 riverfront printing plant, while the downtown Radisson Cadillac hotel has undergone a $6,000,000 facelift with a 2,500-unit apartment complex planned next door.

GM is helping finance development of a $20,000,000 model residential-commercial neighborhood around its headquarters and the Philip A. Hart Plaza, scene of ethnic festivals, has been completed for $22,000,000.

■ The Washington Boulevard Mall is still unfinished, although the restored trolley line is in operation. Unfinished structural steel gives the street the appearance of a Chicago Loop elevated train line.

Parke-Davis will phase out its Detroit pharmaceutical plant and a plan to phase in a Detroit subway has stalled. The subway pits Mayor Coleman Young against the suburbs and the whole thing now goes to public hearings.

But there's no lack of new plans. Corine Gilb, the new director of the city department of planning, foresees making Detroit a free trade zone (lowering import duties), a tramway over the Detroit river to Windsor, Ontario, and a lessening dependance on the auto industry with increased emphasis on service for tourists, conventions and financial services.

■ Detroit has done pretty well on big events, too. It landed the 1980 National Republican Convention as well as the 1982 pro football Super Bowl to be played in neighboring Pontiac.

Mrs. Gilb also sees a return to

city living as commuting costs increase. Although last summer's gas shortage caused some lines in Detroit and stations went on shorter hours, Detroit motorists have a reserve supply of gas in Windsor, just across the river by bridge or tunnel.

Unlike some other major cities, there's little conflict between Detroit area interests and those outstate. "If we fail to assist Detroit in becoming more prosperous, then every other part of the state would suffer," said Republican Gov. William Milliken.

Democratic Mayor Coleman Young said, "Detroit is the state's core city. There's no such thing as an affluent and successful state if Detroit slides off the map."

Flint, Mich.

Population	**521,300**
Rank	**74th**
Personal income	**$4,153,000,000**
Income '77 vs. '76	**+14.98%**

Flint, a working man's town, is getting some fancy vittles in its civic lunch bucket. And in a land of automotive nuts and bolts, this includes an Archimedes screw.

It's all part of Riverbank Park, a $14,000,000 flood control project on the Flint River that turned into a beautification effort as well.

The Archimedes screw, an apparatus for raising water levels with an elongated screw in a conduit, is part of the decoration in the park, which includes islands, a walk-around waterfall, moats and market stalls. Concerts have been performed on an island amphitheater with the audience a moat away. A fish ladder is being provided to allow newly introduced salmon to run.

■ The park is one segment of Flint's Riverfront Center, which is being developed through the Flint Area Conference, a nonprofit corporation. Work on a 400-room Hyatt Regency hotel began this fall with a 35,000-sq.-ft. convention hall. Plans are being drawn for a 100,000-sq.-ft. office building nearby and a 70,000-sq.-ft. state office building will be going up. The $30,100,000 hotel will rise 16 stories and have a brick and glass facade, differing from the usual Hyatt glass towers.

A $6,000,000 University of Michigan-Flint fieldhouse will start this spring and a classroom-science building is planned. A $6,450,000 student center opened this fall.

A Flint Area Conference official said one project made another possible. "Hyatt came here because of the Riverfront Center," she said. "They could see it. There is nothing like construction to change viewpoints immediately."

Construction continues elsewhere. River Village, four blocks to the north, combines housing for the elderly and families in high-rises and townhouses. Windmills pump water through man-made stream beds. Hurley Medical Center plans a $17,000,000 wing on the hospital and has finished a nine-story, $13,500,000 patient care tower. A medical office building is going up, and a bank will build a 10-story building next to the Hyatt.

Retail activity downtown isn't keeping pace, and there's an admitted need to revitalize stores there. The Genesee Valley Mall has added a new wing with J.C. Penney Co. as the anchor, but developers of a suburban Burton shopping center are running into zoning problems.

■ But Flint still is a company town and that company is General Motors Corp., whose Flint operations make up the largest concentration of GM plants anywhere. GM accounts for 77,000 jobs out of 225,000 (government is second), and it too is expanding in Flint with a $12,000,000 addition to the AC Sparkplug engineering building; a $2,000,000 air cleaner warehouse; a nearly $3,000,000 waste treatment plant; a Chevrolet small engine plant covering 115,000 sq. ft., and a $3,500,000 Buick engine plant for V-6s.

■ The energy crunch hasn't really hit Flint hard—there were no gas lines earlier this year. But the slowdown in car sales—particularly among big cars and light trucks—hurt employment at Buick and Chevrolet truck.

In August, 3,500 GM workers were on indefinite layoff, although that was reduced to 2,800 by the time 1980 models started to roll. Unemployment was a high 12.3% in August, and production workers' pay shrank from an average of $430 a week earlier to $375, and hours dipped from 44 a week to 39.

A sharper impact on the economy came from the threat of an autoworkers strike, which prompted workers to pull back and save money against a work stoppage. But GM and the union settled, and retail activity started to pick up in the fall, although it was below last year's levels.

■ Despite the strike threat, Flint still was a GM town when it came to buying vehicles. In July, nearly 82% of all cars bore GM marques, with Buicks accounting for 21.8% of the market. Chevy and GMC trucks took 71% of the light truck market.

The gas shortage did not deter Flint residents from taking their usual recreation—going to northern Michigan to hunt, fish and drive snowmobiles. Genesee County has the highest snowmobile registration in Michigan and about 55% of adults fish, 44% camp and 35% ride bicycles.

Gary-Hammond-East Chicago

Population	**648,400**
Rank	**59th**
Personal income	**$4,753,000,000**
Income '77 vs. '76	**+12.92%**

Even though the steel industry which is the backbone of the city's economy had its problems in 1979, Gary officials found a great deal to be happy about.

After years of comparatively unsuccessful efforts to revitalize the city's downtown area, a number of programs seem to have jelled in the last year. One of the first bits of good news was the reopening of the 13-story, 300-room Sheraton Inn in late 1978, the closing of which a couple of years ago had devastated the community.

Not long afterwards came even better news—availability of funds for the long-awaited $12,700,000 civic center was confirmed, and word was received that funding for the 30,000-sq.-ft. Civil Rights Hall of Fame that was to adjoin the center would be forthcoming as well.

In addition, Congress approved $25,000,000 for two new Gary exits on the Indiana Toll Road—a development that will help the civic center and downtown Gary by providing them with convenient connections to the limited-access highway—and city planners were assured that funds for a multi-modal transportation center for buses, cabs and the South Shore Railroad terminal would be available.

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Baltimore
means
Business

Business is coming to Baltimore. In 1978 alone, Icelandic, North Central and Carribean Airways have begun service to Baltimore through the newly expanded Baltimore-Washington International Airport. A $70 million modernization project now makes BWI capable of handling over 11 million passengers each year.

Look into Baltimore . . . it means easy access to 2.2 million people with $12.7 billion Effective Buying Income in the nation's 14th largest market. It means business for you.

Reach Baltimore business through Baltimore's most effective advertising medium — The Baltimore Sun.

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Sources
State Aviation Adm.
Sales & Marketing Management
Survey of Buying Power 1978

100 MARKETS

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The plans for the 142,000 sq. ft. 12,000 seat sports-culture-entertainment-convention center and the improved transportation facilities were credited by city officials as helping to trigger a number of private commitments to the downtown area.

These include a $5,000,000 U.S. Steel office building, a $1,200,000 renovation by Gary National Bank and a $2,500,000 Wendell Campbell Associates office building.

The city has agreed to make public improvements such as off-street parking, street trees, new curbs and sidewalks, planters and urban art forms, while merchants have agreed to dress up their properties.

Negotiations are also under way with a developer regarding construction of a 300,000-sq.-ft. enclosed shopping mall for the downtown area.

More good news was forthcoming from Gary Municipal airport, which was chosen for upgrading by the Federal Aviation Authority in order to ease the load on Chicago's O'Hare International Airport, the world's busiest.

Initially, the airport will be expanded to attract more private and business flights and some commuter service, and city officials hope that secondary and trunk lines will eventually use the facility. A major industrial park is also planned for development on land adjacent to the airport.

▪ Despite the progress, the problems are far from solved. The Gary-Hammond-East Chicago area still suffers from a lack of industrial diversification and remains prey to the severe fluctuations that can occur in its primary metals industries. The prospects for ameliorating this dependence are not very good, especially since the area lacks large parcels of land for new industries.

The emphasis on heavy industries also has caused significant air pollution problems for the area, and the region still has not met federal air quality standards. According to an Environmental Protection Agency official if the standards are not met, the agency may go so far as to ban any major industrial development that might be a source of further pollution.

The flight from the SMSA's central business districts has helped fuel growth in outlying areas, with the Merrillville area in the south having captured much of the retail and office business.

Home of the giant Southlake Mall, Prudential's Midwest regional headquarters, and an eight-story "branch" of the Gary National Bank, the Merrillville area has attracted many smaller office and retail developments as well.

▪ Merrillville officials are especially enthusiastic about the Admiral Convention Center and Holiday Plaza that is currently under construction.

This project will include a 100-room expansion of the existing 249-room Holiday Inn; a 13,000 sq. ft. convention center; a Holidome providing year-round recreation with a swimming pool, whirlpool and putting green, and a $5,500.00, 3,100-seat performing arts theater that will feature Las Vegas-type entertainment by such stars as Donna Summer, Mitzi Gaynor, Bill Cosby and Frank Sinatra.

Grand Rapids, Mich.

Population	585,100
Rank	69th
Personal income	$4,016,000,000
Income '77 vs. '76	+12.97%

"Were there any survivors?" asked comedian Red Skelton after he saw downtown Grand Rapids where an estimated $130,000,000 is being spent on renewal.

Construction, demolition and remodeling along the banks of the Grand River reached a point last summer where only one bus line could run downtown. If the area resembled a battlefield, it's because that's what it is, a fight against urban decay.

"The majority of the money is being raised privately and locally with some federal funding, so this is strictly a bootstrap operation," said Anthony Jarrett, vp of economic development for the Grand Rapids Area Chamber of Commerce.

Typically, Grand Rapids started to work first and only in September established the kind of umbrella organization many cities start with.

▪ By that time, the list of projects totaled 35, ranging from a pub to a complete refurbishing of the old Pantlind Hotel for $10,000,000. The Pantlind is a good example of how things are done in the erstwhile "Furniture City."

Amway Corp., the direct selling company headquartered in suburban Ada, bought the old hotel, held a "garage sale" of the old furnishings (including a bed slept in by President Ford, a native son) and modernization started. Amway also plans a second hotel nearby that will come in at $22,000,000.

Amway itself was caught in the snowball effect and bought a 487-acre tract for future development in the suburbs. General Motors broke ground for a 250,000 sq. ft. diesel component plant in Coopersville, 18 miles west of Grand Rapids, that will provide 1,500 jobs.

Part of the area's attraction for business is the "work ethic" and a lot of nonunion help. The median family income is $19,370 and unemployment is 5.2%—both low figures for Michigan.

▪ But it is the river banks where Grand Rapids was founded 150 years ago that is the magnet. Construction is under way on a $21,000,000 civic center complex that will include a new exhibit hall and 2,310-seat performing arts center for the Grand Rapids Symphony orchestra, the Symphonic Choir, the Opera Association of Western Michigan and the Grand Rapids Civic Ballet.

Across the river will stand the new Gerald R. Ford Presidential Museum, a $6,000,000 project hard by the Ah-Nab-Awen Bicentennial Park that was an earlier effort at restoration.

The Art Museum will move into the old Federal Building next year. A few blocks from Calder Plaza (home of the orange steel sculpture La Grand Vitesse and the scene of summer festivals), Butterworth Hospital is building a $28,000,000 addition.

Monroe Center, a pedestrian mall, right now is $4,700,000 worth of the kind of construction tie-up Mr. Skelton referred to and the kind of disruption that threatens convention dates that pump $18,000,000 a year into the economy.

Downtown is the site of a 15.5-mile footrace that this year drew 2,600 contestants. In another event, some 500 rafts were entered in the 10th annual raft race that drew 25,000 spectators.

▪ Recreational leagues abound—sports is a family affair in Grand Rapids. The minor league hockey team, the Grand Rapids Owls, last year drew 3,000 persons on average to its matches, up about 300 from the previous year.

Hunting, fishing, sailing and skiing are favorite diversions. Lake Michigan is 30 miles away. Residents still fish in the downtown Grand River on lunch breaks.

The energy crunch didn't slow things down at all. Residents recall the "three days in June" when they had to shop for gas. There's been plenty of natural gas and oil for home and industry. The chamber of commerce even took out ads in trade publications saying so.

Indianapolis

Population	1,156,200
Rank	32nd
Personal income	$8,650,000,000
Income '77 vs. '76	+11.24%

When it comes to drumming up convention business, Indianapolis' city fathers want potential conventioneers to know that "there's a lot more here than just a 500 race."

Since the Convention & Visitors Bureau began using its multimedia traveling exhibit last year, convention business is up 143%, with more than 500 conventions drawing 500,000 people.

With a promotion budget of more than $500,000—up from the $150,000 budget of a year ago—the convention bureau is also promoting Indianapolis' attractions in business publications, brochures and direct mailings.

Next March, Indianapolis will host the NCAA basketball tournament at its Market Square arena. It is bidding for the World University Games for 1981, an event involving teams from 100 countries which has never been held in the U.S.

▪ At present, Indianapolis has an inventory of 12,000 hotel rooms. It remains anxious to revitalize an aborted downtown project which would add 300 to 350 more rooms. Radisson Hotels initiated the project, but withdrew. Sheraton is the city's best hope at present.

The stage is set for the "tallest skyscraper in the city" competition now that construction on the American United Life Insurance building is under way. The 37-story 1,250,000-sq.-ft. headquarter building, a $40,000,000 to $50,000,000 investment is scheduled for completion in mid-1981. The company will occupy about half of the building and the rest will be office rental space—a rare commodity in the downtown area.

Meanwhile, the American National Bank is drawing up plans for a 40 to 45-story, 1,500,000-sq.-ft. building scheduled for groundbreaking when the American United Life building is finished.

Currently the Indiana National Bank building takes honors as Indianapolis' tallest building with 35 stories.

▪ The downtown area that new office buildings are helping to revitalize, retail sales are off slightly, still unable to catch up with the surrounding shopping malls that have sprung up around the city.

But a downtown shopping mall concept is currently being discussed with a local shopping center developer as a tool to perk up the downtown business.

The U.S. Tennis Assn. is moving into its new headquarters into the newly constructed Indianapolis Sports Complex on the White River. A White River Commission, supported by $10,000,000 in seed money from the state and $5,000,000 from the Lilly Endowment, ponders future development in the adjacent area. Among the possibilities: A stadium as home field for a yet-to-be secured National Football League franchise. Or a Disney theme park.

Indiana University-Purdue University at Indianapolis continues to pump out expansions with new facilities to house the school of business and school of environmental and public affairs under way and a request to the state for $4,500,000 to expand the medical complexes.

▪ The housing market that was robust just a short time ago has turned down with few new starts. And condominium fever that Indianapolis long avoided, has finally been contacted, especially in the resale market.

Although the latest employment figures show unemployment just over 6%, Indianapolis' two Chrysler plants employ 4,300 workers—many already laid off. The other auto makers also are significant employers so a deep recession coupled with more lay-offs could have widespread repercussions.

What already has changed is the airline service to Indianapolis International Airport as a result of deregulation. There has been some curtailment of service from Indianapolis to nearby intermediary cities such as Columbus, St. Louis, Chicago, Detroit and Cleveland. Some schedules have been dumped completely, such as TWA flights to Columbus.

Concerned with how the reduced service is affecting the business traveler, the city plans a stronger marketing campaign. For the long-term, the city is looking for short-range aircraft and the development of a commuter service to pick up the slack dropped by the major airlines.

The long term industrial outlook, should benefit from the Advance Wastewater Treatment Facility now under construction, a $300,000,000 project funded 80% by a federal grant, with the remainder split between the state and the city. As the largest construction project in central Indiana the facility will assure ample supplies of treated water once it is operational in 1981.

Lansing, Mich.

Population	457,700
Rank	84th
Personal income	$3,219,000,000
Income '77 vs. '76	+12.83%

Michigan's state capital keeps changing as the central business district tries to keep pace with suburban commercial growth.

With changes and additions in commerce and industry, mid-year regional employment reached a new record level of 226,100—with advances in construction, manufacturing, trade, services and agriculture.

Recent construction includes a downtown mall, scheduled to be completed in late fall, and the 44,000,000 twin towers of the state department of education, which recently broke ground.

The City of Lansing's plans for the central business district include a $3,000,000 bus transportation center, a $4,000,000 exhibition hall, a $21,000,000 arena with 18,000 seats and a new $10,000,000 police facility.

The Plaza Hotel converted 150 rooms to accommodate commercial tenants and a local law firm converted a vacant downtown building to office space. In addition, Lansing Community College is expanding and the four-story Reed & Reed building, called the World Trade Center, is under construction.

Housing developments in Lansing's center city include a $9,600,000 complex, containing 278 units, that is adjacent to the new Riverfront Park. The $26,000,000 Capitol Commons, a 600-unit project, is awaiting approval.

▪ J. L. Hudson, a department store owned by Dayton-Hudson, opened a new 100,000 sq. ft. store in Lansing Mall and is trying to win approval for a store or mall constructed between Lansing and East Lansing. But a recent referendum on the question was voted down, reportedly due to a large turnout by Michigan State University students.

The schism between Lansing residents and students apparently is so deep that, earlier this fall, East Lansing homeowners sponsored a petition to de-annex the MSU campus from the city, making it part of Lansing and Meridian townships. But supporters of the de-annexation drive failed to get enough signatures to place the issue on the ballot and the board of commissioners of Ingham County rejected the petition.

Nonetheless, J. L. Hudson plans to proceed with plans for another, perhaps smaller, store. According to Ray Steeb, executive director of Lansing's metropolitan development authority, "They have made some changes and tried to quell objections voters had [to the plan]."

On Nov. 6, East Lansing voters approved the J. L. Hudson plan by a large margin. On Nov. 8, the East Lansing City Council approved rezoning Hudson's property for the project, permitting business, residential or commercial use.

▪ City hall figures show fuel consumption for cars and home heating is down, and the city is actively promoting energy conservation.

Though electric power capacity seems adequate through 1985, the municipally operated board of water and light urges businesses, industries and home owners to use power efficiently. Its consulting service is promoted via direct mail, newspaper and radio.

Airport, bus and rail traffic is up, and hotel room bookings during the summer of 1979 were 28%

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Jones Island loading dock is a focal point for Milwaukee commerce.

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ahead of 1978. The increase is attributed to business meetings that took advantage of mass transit facilities, and responded to the good news that the civic center is now air conditioned.

Major conventions held this year included the U.S. Cheerleading Assn., which drew some 3,000; the Unitarian-Universalist Assn., which drew 1,600; the National Oldsmobile Car Club with 500 afficionados from all over the world who got a glimpse of the R.E. Olds Museum, which is scheduled to open officially next year with 30 to 50 antique Olds and Reo trucks and periodic traveling exhibits.

- To accommodate the influx, new hotels are being built—such as the 100-room Motel Six, the 100-room Knights Inn and Midway Motor Lodge and Hoffman House Restaurant—and existing facilities, such as the Hilton Inn, are adding 100 rooms.

Tax incentive legislation continues to encourage growth. Oldsmobile division of General Motors had its highest sales in history and a new $200,000,000 diesel engine plant is under construction in Delta Township, with plans for 1,600 new jobs following on the heels of a new Cutlass plant and GM parts facility just completed.

The local Fisher Body plant, one of the largest facilities of its kind in the world, completed a 780,000 sq. ft. addition with more construction to be announced soon, according to city officials.

Motor Wheel Corp., the area's third largest industrial employer, is constructing a $3,000,000 wastewater treatment plant, while other improvements by the city, state and federal government—totaling $5,100,000—are planned.

Milwaukee

Population	1,417,200
Rank	24th
Personal income	$11,282,000,000
Income '77 vs. '76	+11.47%

While the nation was reporting generally flat economic indicators in late summer, the four-county Milwaukee metropolitan area posted a 3.3% gain in employment in August, setting a new record for the fifth month in a row, and a 3.4% August unemployment rate, down from 4.2% in August, 1978. The seasonally adjusted rate of 3.7% was far below the national rate of 6%.

Despite high interest rates, mortgages in August advanced to the second highest level in 10 years. While new dwelling unit permits were off 50% in July, total construction contracts that month were up 30% from the year before.

Through the first eight months of 1978, 10 of 15 economic indicators compiled by the Metropolitan Milwaukee Assn. of Commerce improved over the first eight months of 1978.

- Manpower Inc., the Milwaukee-based international temporary help company that monitors hiring plans, found that about 30% of the employers in the area plan to add new workers during the final quarter of 1979, compared with 31% the year before.

If hard statistics don't dissuade skeptics, there is brick and mortar evidence of economic strength. The Hyatt Regency hotel, the first major redevelopment effort in downtown Milwaukee, is running ahead of schedule and expects to open in September, 1980.

The Hyatt is expected to bring a surge of convention business to the city, which has had a severe shortage of first class hotel rooms. It also is expected to spark new public and private projects downtown, including a four-block mall, another hotel and a new federal office building.

Port of Milwaukee leaders also are mapping expansion programs, partly because of the growing export business of Milwaukee manufacturers and partly because of the misfortunes of the ports of Chicago and Duluth-Superior.

- With the dollar situation improving the competitiveness of Milwaukee-made machines overseas, many manufacturers are expected to shift their focuses overseas if the domestic market slows. They will be assisted in their efforts by the Milwaukee Foreign Trade Zone, which is currently constructing its first manufacturing building.

The director of the Port of Milwaukee last spring advanced the idea of a new grain terminal building, a project which advanced to center stage in the summer when grain handlers struck the ports of Chicago and Duluth-Superior. Trucks, which normally loaded in the struck ports, lined up 75 deep in Milwaukee, and ships queued up waiting to take on the cargo.

Creating instability in the industrial transportation picture has been the continuing financial problems of midwestern railroads. But even in the case of the troubled Milwaukee Road, solutions to the line's financial problems seem to give priority to southeastern Wisconsin over unprofitable western routes.

Airline deregulation, which resulted in some lines pulling out of metropolitan areas, has been a boon to Milwaukee's Mitchell Field. Hughes Air West, Western Airlines and Braniff have come into Milwaukee since deregulation, supporting the thesis that Milwaukee has the potential to be an alternate to Chicago's overcrowded O'Hare field.

In August, according to the Assn. of Commerce, 334,692 persons passed through Mitchell Field's metal detectors, up 25.5% from 12 months earlier.

Retail business in the Milwaukee area appeared to be flashing a caution light in early fall, which is not surprising considering the continuing inflation. Credit bureau reports in August rose only fractionally from the year before.

There must have been some continuing strength on the retail side, however. Sears, Roebuck & Co. chose Milwaukee as the first test market in which it would accept Visa and Master Charge cards. That experiment began in July and by early fall was the subject of extensive advertising.

Milwaukee area residents apparently have stepped up their spending for leisure activities this year. An increasing variety of sporting and cultural events have been highly successful, perhaps because the high price of gasoline has kept residents closer to home.

- The Milwaukee Brewers did not disappoint the more than 1,900,000 fans that trooped to their games. The turnout, highest since 1958 when the Milwaukee Braves were reigning world champions, saw the Brewers finish second in the strong Eastern Division of the American League.

Hopes for the resurgence of the Milwaukee Bucks are expected to fill the Milwaukee Arena this fall. Sidney Moncrief, high scoring guard from the University of Arkansas, is counted on to bolster the already strong National Basketball Assn. entry.

On the negative side of the sports ledger, both the Green Bay Packers and University of Wisconsin

When a man's into skiing,

What a man does with his leisure time tells you a lot about how he spends the rest of his time. What he surrounds himself with. How he socializes. The places he travels.

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football teams are off to dismal starts. Still, near capacity crowds flock to the games in Milwaukee, Green Bay and Madison.

Toledo

Population	775,800
Rank	53rd
Personal income	$5,684,000,000
Income '77 vs. '76	+10.69%

Toledo seems content with its long and prosperous relationship to its industries, notably the automotive and glass-making plants.

But, while keeping old friends, Toledo is hoping to make some new ones—principally, the services industries that help business to function.

▪ "It has been years since a major new industrial plant located in Toledo, and prospects for one do not look encouraging" according to an economist for the city's Port Lawrence Title & Trust Co.

"Law and accounting," he continued, "and other specialized business-support services are growing impressively here, a healthy sign that our economy will diversify. The service sector is booming and creating additional incentives for investment in downtown Toledo."

Headlines say that a downtown rebirth is assured. Skeptics are invited to look at the scenario and the steam shovels.

▪ A huge cavity near Toledo's heart holds the piers on which Owens-Illinois is erecting a new world headquarters, a $94,600,000 building of 29 floors and 875,000 sq. ft., more than twice the space in the present Owens-Illinois building.

The tower will anchor a corner of a 14.5-acre development named SeaGate Center. The second SeaGate settler will be Toledo Trust Co., which broke ground in October for a $10,000,000 building.

In April, the State of Ohio will start a $50,000,000 building to anchor a corner of SeaGate and house state branch offices. Additional space will be leased to Toledo municipal and Lucas County governmental divisions.

A short boulevard will be created on Jackson St. A parking facility for 1,200 cars—enclosed parking for 700—will be provided. Fifteen drab acres along the nearby Maumee River will be transformed into a decorative park.

These improvements are being financed by a federal Urban Development Action Grant of $12,000,000—an investment expected to attract additional investors.

Other indications of downtown revival are obvious. All the Class A buildings in the central business district are 100% occupied. The 100,000 sq. ft. building abandoned by the Lamson department store has been remodeled and named One Lake Erie Center. Its upper four floors are for offices and its ground floor is reserved for specialty shops and a restaurant.

The old is blended with the new in a development called Fort Industry Square, which includes more than a score of row-type buildings erected before 1900.

These are being repaired and groomed to hold offices, boutiques and a restaurant of Gay '90s decor.

In addition, several Toledo investors are taking over and refurbishing a 250-room downtown Holiday Inn.

▪ An important reason for the downtown resurgence, according to the Title & Trust economist, "is a growing comprehension that the downtown acts as a central marketplace serving the human need to congregate. The accidental personal contacts we make on downtown sidewalks, almost every day, often generate productive and important business discussions."

Furthermore, the growing downtown corps of the business-support people, by their diversity, will tend to keep employment stable, said Edward J. Schulte, research director for the Toledo Area Chamber of Commerce.

For economic momentum, however, Toledo still depends heavily on the seven of the "Fortune 500" companies based in the city—three glass manufacturers (Owens-Illinois, Libby-Owens-Ford, Owens-Corning Fiberglas) and four automotive parts and equipment companies (Champion Spark Plug Co., Dana Corp., Questor Corp. and Sheller-Globe Corp.) employing a total of 21,000.

Furthermore, American Motors, Chrysler, Ford and General Motors operate Toledo plants producing original and replacement equipment and employing 14,000. Their payrolls might shrink quickly, however, if a gasoline crisis causes car sales to drop dramatically.

▪ In the first half of 1979, total Toledo employment averaged 307,329 jobs a month, up 3.3% from the first half of 1978. Manufacturing employment increased only 1.8%.

With its 1,000-some companies, Toledo is said to have the most diversified industrial base in Ohio. No company in Toledo employs more than 3% of the total work force. This spread of jobs is said to cushion Toledo from capricious dips in the economy and from work stoppages.

When it is free of problems and operating, a new nuclear power plant east of the city—jointly owned by Toledo Edison Co. and a Cleveland utility—has provided as much as 35% of the electricity used in Toledo. The plant is scheduled to expand.

At Toldeo's airport, deregulation was welcomed, as five additional airlines, including TWA, Air Florida and Air Wisconsin, came in quickly, ostensibly to test the market in which only four lines operated previously.

"We may frown later, when and if a shake-out comes," an official said.

Youngstown-Warren, O.

Population	543,800
Rank	72nd
Personal income	$3,804,000,000
Income '77 vs. '76	+10.52%

Youngstown in the past year continued its recovery from the sharp economic jolt it received two years ago when Lykes Corp. shut down its Campbell steelworks, throwing 4,000 out of work.

Unemployment in the Youngstown-Warren area, which peaked at 9% in March, 1978, hovered around the 7% level for the past 12 months, as most of the laid off steelworkers managed to find employment with other major employers who continue to expand in the Mahoning Valley—General Motors (Packard Electric division), Republic Steel and Copperweld Steel.

And further relief may be on the horizon: Commuter Aircraft Corp. executives announced this past summer that the company will build a $60,000,000 plant to produce the CAC-100, a 44-passenger prop-jet commuter aircraft.

Construction of the 250,000 sq. ft. assembly plant that will provide up to 1,500 new jobs could begin in 1980 if federal grant requests are approved. The plant, to be built on

(Continued on Page 40)

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100 MARKETS

(Continued from Page 37)

a 90-acre site adjacent to the Youngstown Municipal airport, could be completed by the end of 1981.

- Other industrial operations have contributed to the recovery effort. For example, East Ohio Gas Co. announced a $2,900,000 capital improvements project for its Youngstown-Warren division; Republic Steel, already involved in a $380,000,000, five-year expansion program, announced it would also construct a $1,000,000 office building in Warren, and General Motors began a 200,000 sq. ft. addition to its Lordstown assembly plant. And, amidst a flurry of expansion moves by GM's Packard Electric, a $7,000,000 GM satellite plant in nearby Cortland Village is a possibility.

On the retail front, a $10,000,000 expansion of Eastwood Mall and adjacent Great East Plaza was announced. The project includes a new J.C. Penney store, extension of an enclosed pedestrian mall and an additional 25 retail shops. Also, Strouss' department store at Eastwood plans a $2,100,000 remodeling program.

Other retail developments include a $300,000 remodeling by Seafood Express, plans for a Hanover Trail Steak House in Warren and an announced Best Products 65,000 sq. ft. catalog store to be built near Great East Plaza.

Retail sales in the market area rose 7%, from $412,562,000 in 1977 to $441,983,000 in 1978.

- A 16,000-seat stadium and sports complex is due for completion next year at Youngstown State University. Ground was broken on the project last fall.

Housing statistics indicate relative health for the area. In the first six months of 1979, single family dwelling starts climbed 14%, from 367 to 417, with valuation climbing from $14,448,000 to $17,351,000. For multiple-unit dwellings, 47 buildings with 182 units were started, compared with 28 buildings with 230 units in the first six months of 1978. Valuations rose slightly to $4,031,000.

Meanwhile, schemes continue to pop up for the utilization of the closed Campbell steelworks facility. A plan by religious and community leaders to reopen the plant under the control of a worker-management team now seems dead, but in October a group called CASTLO said it had secured a $2,800,000 loan from the state to turn the facility into an industrial park. The funding was contingent upon the group finding enough tenants to lease space in the plant.

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Kansas City

Population	1,325,200
Rank	28th
Personal income	$10,195,000,000
Income '77 vs. '76	+11.87%

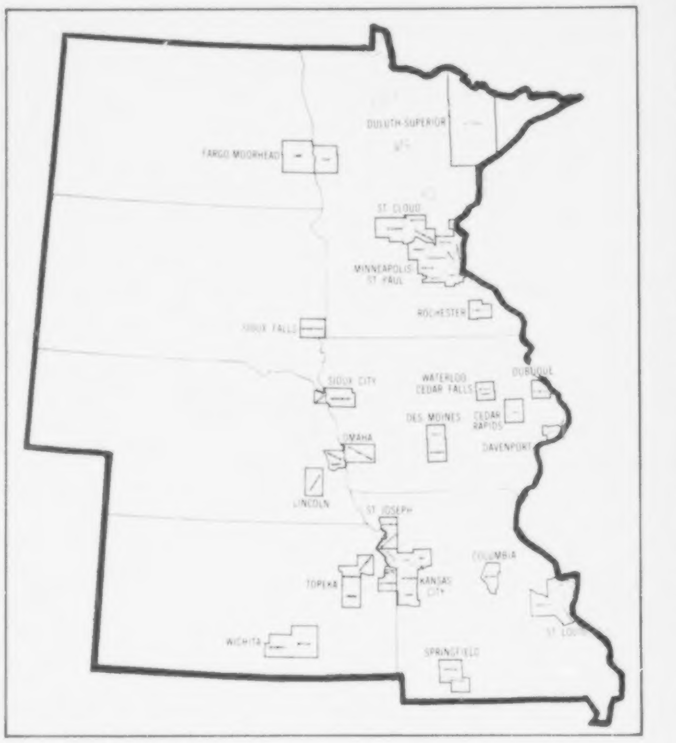
Kansas City, home of three professional sports teams—the Chiefs, the Royals and the Kings—is becoming the "sports capital of the country."

That's what James Monroe, head of business and economic development for the Greater Kansas City Chamber of Commerce, says, but it's not because of the athletic success of the hometown teams.

Mr. Monroe points out that three years ago Kansas City began a major marketing effort to attract national sports trade associations. Since the advent of the program, six national associations have relocated their national headquarters to metropolitan Kansas City.

That program was capped in October when the American College of Sports Medicine announced it would move to 20,000 sq. ft. of offices in Kansas City. They will join, among others, the U.S. Track & Field Assn., the Fellowship of Christian Athletes and the National Collegiate Athletic Assn., which all have relocated to metropolitan Kansas City.

- The impetus behind these association moves parallels the reasons other industries have found Kansas City to be a good place to locate, Mr. Monroe maintains. He notes that the city is centrally located, making it convenient to reach, especially by airplane.



Indeed, Kansas City has been among the cities to benefit from airline deregulation. Flights in and out of the city's sparkling new airport are on the increase. In late 1978, for example, United Airlines added new, nonstop flights between Kansas City and both coasts.

And in October, a new budget commuter airline, Midway Airlines, began low-cost flights between Kansas City and Chicago's Midway Airport.

Besides being a sports capital, Kansas City is becoming an international business center. This year Grimsted Products Co. of Denmark built a new, 200,000 sq. ft. manufacturing facility in Kansas City.

Frankona Reinsurance Co. of Munich, Germany, established its U.S. headquarters in the midwestern city and, significantly, the Japanese government chose Kansas City as a site for a consulate this year, reflecting the city's increased international importance.

- In total, 27 companies established new operations in Kansas City during 1979. They employ more than 1,600 workers and take up more than 1,200,000 sq. ft. of office and industrial space in the metropolitan area.

These figures are confirmed by the tight vacancy rates reported for Kansas City in Coldwell Banker's quarterly survey of available industrial space.

The California-based real estate company estimates that the vacancy rate for industrial space in metropolitan Kansas City dropped to 0.6% during the second quarter and recovered to only 1.2% during the third quarter. That compares with a national average hovering around 3%, making Kansas City one of the nation's tightest markets.

Among other business newcomers to Kansas City during 1979 was Kemper Insurance, which consolidated its central division operations, and Braniff Airlines, which established a new reservation center.

Also, Mercury Marine added a 73,000 sq. ft. distribution center and construction is nearing completion on a $40,000,000 expansion of Sears' catalog center. Uniroyal also finished a 300,000 sq. ft. distribution center.

Electric utilities benefit from Kansas City's accessibility to the low sulfer coal in the western U.S. Also, local natural gas companies are taking on new commercial and industrial customers.

Kansas City's agribusiness segment benefited from an excellent harvest this year. However, the continuing problems with the availability of railroad cars to ship grain was compounded by the Rock Island Railroad's labor and financial problems this year.

A subsidiary of the Mormon church, Beneficial Development Corp., acquired 4,300 acres of prime land in suburban Kansas City, just northeast of the city. Now in the planning stage is a giant industrial, commercial and residential development for the site.

Mirroring the industrial advances, George Kirkland, president of the Convention and Visitors Bureau of Greater Kansas City, reports that the city hosted 540 conventions this year, which pulled an estimated 637,000 visitors to the city and produced more than $132,000,000 in revenue.

- Another boost to the city's convention business will be the completion of the new Hyatt Regency Hotel next October. That hotel, in Crown Center, will add another 750 luxury rooms to the city's stock. Also pending is a federal grant that will allow the construction of a new Hilton hotel in downtown Kansas City, adding 650 rooms.

Kansas City has not been able to escape the housing slowdown. Housing permits are down to 5,061 from 6,752 in 1978. The decline is mostly in construction of single-family homes. Mortgage money is also tight caused, in part, by a usury rate that now limits home mortgages to 11.4%.

Minneapolis-St. Paul

Population	2,063,000
Rank	15th
Personal income	$16,340,000,000
Income '77 vs. '76	+11.93%

Minneapolis and St. Paul seem to be well positioned to weather the recession, but they may have some trouble with the weather itself.

A building boom in the Twin Cities picked up speed in the last year, with some $1 billion in new buildings either announced or un-

(Continued on Page 42)

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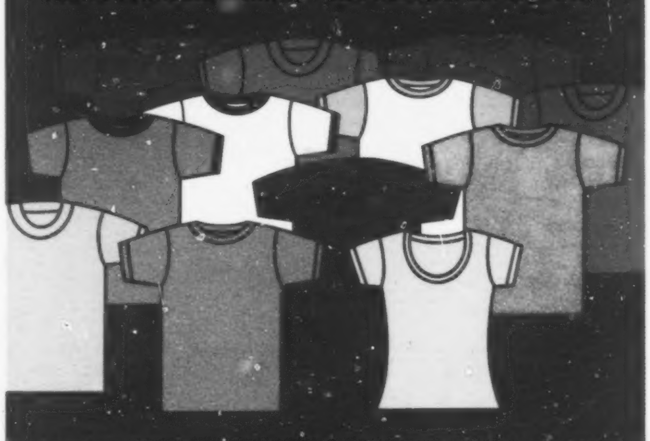

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der construction.

The building continues to pump fresh vitality into the already resurging downtown of Minneapolis and the reawakening downtown of St. Paul. Retailers and hotel managers have reaffirmed their faith in the downtown districts by committing to a host of new stores and hotels.

- Unemployment, meanwhile seems anchored at the 3% level.

But the fuzzily defined national question of energy comes into sharp focus in the Upper Midwest. Winter can begin to wrap its icy fingers around this part of the country in early November and keep its frigid grip until April.

The Twin Cities may fall prey to a severe energy pinch if Canada makes good on its plan to halt shipments of crude oil before new pipelines can make their way to Minnesota from the West and the South.

"Energy is probably the biggest concern we have right now," said Sung Won Son, economist and senior vice-president at Minneapolis' Northwest National Bank.

He noted that 55% of the region's crude oil now comes from Alberta, Canada, via the Lake Mead pipeline. Canadian authorities are intent on shutting off that flow, although the date of the termination is still a bit clouded.

Currently, Canada intends to stop the pipeline in 1983, but the cutoff date has been pushed back in the past and observers feel that U.S. authorities would not allow the region to be left dramatically short of oil.

- Two crude pipelines from other parts of the U.S. are battling their way toward the Twin Cities, but both are still mired in disputes over state and local permits and it is unclear when they will begin pumping supplies into the region's refineries.

One is the Northern Tier pipeline, which is snaking east from Washington state. It would carry crude from Alaska's North Slope oil wells.

The other is the Northern Pipeline, which would carry supplies north from Illinois through Iowa to Minnesota.

St. Paul, meanwhile, is planning an energy experiment in the downtown area through the newly created St. Paul District Heating Development Co. The group, composed of business, labor and government leaders, is working on a proposal to use steam excess from downtown factories to heat other buildings nearby.

- For the short term, Mr. Son thinks the Twin Cities are well buttressed to withstand the recession.

"This is a white-collar, headquarters town, with companies like Pillsbury, Honeywell, 3M and the Northwest Bancorporations, which owns this bank," he said. They don't lay off white-collar workers the way they lay off blue-collar workers in a downturn.

"This is really the only metropolitan area in the Upper Midwest," he added. "It is the service and distribution center for the nation's breadbasket."

Yet many observers of the Twin Cities economy, including Mr. Son, are concerned about the effects of what is called "the business climate." Mr. Son pointedly refers to it as "the tax climate" in the state.

- The chief executives of Minnesota's 50 biggest companies banded together a year and a half ago in an organization called the Minnesota Business Partnership to raise the issue of the business climate in last year's elections. At that time, some of the state's biggest corporations, such as Burlington-Northern, were making ominous noises about moving their headquarters out of the state.

The deeply entrenched Democratic Farmer Labor Party gave up both U.S. Senate seats, the governorship and its overwhelming state legislature majority in the elections and many business leaders feel the corner has been turned on the state's high tax rates.

This year, the legislature enacted a $750,000,000 tax cut, reducing the maximum state income tax bracket from 17% to 16% and raising some key taxpayers credits and deductions. High workers compensation rates and hefty property taxes in many communities continue to pose obstacles, but concern about a potentially worsening "business climate" has subsided.

- Commercial vacancy rates in downtown Minneapolis have shrunk to 2%. For space on the city's skyway system, connecting downtown buildings on the second-floor level, it is just 1%.

The skyway system now connects 18 city blocks and, when the buildings already announced for downtown Minneapolis are completed, some 25 blocks will be included.

One full city block will be the new City Center, a $150,000,000 project including a new Donaldson's department store, a 27-story office tower, the Northwest National Bank and a 600-room Western International Hotel.

Pillsbury is erecting a 36-story, $100,000,000 headquarters building with 1,760,000 sq. ft. of office space.

When the buildings now announced or under way in Minneapolis are completed, they will add some 3,000,000 sq. ft. of office space to the current total of 18,000,006 sq. ft.

- In St. Paul just across the Mississippi River, some $209,900,000 in new buildings are under way and another $211,500,000 have been announced.

The centerpiece of the St. Paul boom is the $50,000,000 Seventh Plaza Complex, which incorporates a new Radisson Hotel, an atrium office building and another Donaldson's department store.

St. Paul is still struggling, however, to get its ambitious Lowertown rehabilitation project off the ground. It would renovate a declining section of the city's downtown area, adding 1,500 housing units and 8,000 jobs through a mix of public and private funds.

The Presidentially sanctioned drive toward deregulation in airlines has threatened to cut off service to some areas, but it has only strengthened the Twin Cities' role in air travel. Northwest Orient Airlines is already based in the Twin Cities and this year, Minneapolis-based North Central merged with Southern Airways to form Republic Airlines. The new carrier, serving the Midwest and the Southeast, keeps its base in Minneapolis.

Omaha

Population	581,700
Rank	70th
Personal income	$4,038,000,000
Income '77 vs. '76	+9.82%

Omaha's prosperity depends a great deal on how agriculture does. This year, the city has every reason to be optimistic. Projections for the 1979 harvest indicate that the yield should be at least as high as last year's, which was better than Nebraska had seen in some time.

Corn and soybeans are expected to have a good harvest, and the latest figures for grain receipts indicate that wheat is up 51.8% from last year.

The nation's tallest monument, the Gateway Arch, dominates the St. Louis skyline.

On the negative side, the meat packing industry is declining—the latest monthly livestock processing reports covering cattle, hogs and sheep says that processing is down 19.5% from the same period last year, reflecting smaller herds. Some of the smaller meat packing houses have closed as a result of the spring beef shortage.

- According to Steve Jordan, business writer for the Omaha *World-Herald*, the region is in good shape in the face of fuel shortages. On the home heating front, Mr. Jordan said, almost all of the area uses natural gas for fuel. "Our natural gas supplies are pretty good," he said. "There is not a great demand for fuel oil.

"Our only worries here are diesel fuel," he added. Despite diesel shortages, the area fared well this summer because there was enough rain so that irrigation machinery was not much in use, hence there was not a taxing demand on the diesel fuel supply.

Regular gasoline can still be found at about 94¢ a gallon in the area.

On the business front, an unemployment rate of 3.9% is little changed from last year's 3.6%. Expansion of local businesses as well as some new companies entering the Omaha community this year have helped contribute to these statistics.

Seventeen companies have announced expansion plans with a total investment of $11,904,000. In addition, eight companies are moving into the area, including Sears, Roebuck & Co. Sears plans to establish a service training and credit card center.

- Plans also are being formulated for the expansion of Omaha's Eppley Airfield. Construction will start next year on a new wing for ticketing passengers, and future construction over the next 10 years will include a new garage, terminal and concourse.

Still under construction in the downtown area are Northwestern Bell Telephone Co.'s 16-story, $26,000,000 headquarters; Mutual of Omaha's $15,000,000 underground building to house the parent company and its subsidiaries, and the State of Nebraska and University of Nebraska-Omaha's building at a cost of $14,000,000.

The city government appears to be trying hard to revitalize the downtown area. The Central Park Mall, a park with hills and creeks that will eventually extend to the Missouri river, is now partially completed. A new library project also is under way.

Sources say that the Rouse Co., which has aided other cities in the redevelopment of their downtown areas, has been under contract for preliminary studies on the revitalization of downtown Omaha. The studies reportedly have been completed, but not yet released. Rouse Co. also has a division that finances redevelopment, and one source indicated, "In the back of Omaha's mind, is the hope that Rouse will also finance these projects."

Despite inflation, however, retail sales are up only 5.6% for the first six months of 1979. In 1978, sales for the same period showed an 11.5% gain. Aside from the thriving Old Market area in the city—a warehouse area that now houses restaurants and shops—suburban shopping centers continue to capture a good portion of the retail dollars.

St. Louis

Population	2,385,900
Rank	12th
Personal income	$7,905,000,000
Income '77 vs. '76	+10.18%

The idea of recession throws a scare into many St. Louis business leaders.

St. Louis is a mainly blue-collar town that tends to get the bumpy part of the ride when the economy starts heading downhill.

In the 1973-74 recession, for instance, when employment dipped by 2.5% nationally, St. Louis employment fell 4.1%. In 1970, when the national employment level sagged by 1.5%, St. Louis dropped by 3.4%.

It's a factory town, where the residents go to work and make things. When consumers stop buying these things, St. Louis factories cut back or shut down and the whole local economy shudders.

- Auto makers are here in force. All of the Big Three American auto makers have plants in the St. Louis area. General Motors has a Chevrolet plant, Ford Motor Co. has a Mercury plant and Chrysler turns out Dodge vans and Chrysler cars.

In the summer and fall, Chevrolet closed down one of its production lines, the Dodge van plant closed down one line and the Mercury plant laid off 400 workers.

Last fall, the three auto makers together rivaled giant McDonnell-Douglas Corp. as an employer in the St. Louis area. The three car makers had 29,700 employes to McDonnell-Douglas' 31,000. But by this fall, the car makers had cut back to barely 20,000 employes and the disappointing early sales of 1980 models cast doubt over the prospect of reversing that trend.

St. Louis has been working to shift its economy to a less cyclical, more white-collar, service-industry base. One example is the drive for a bigger share of the convention and tourism business.

- The city recently completed a $25,000,000 convention center and it is using that center to bolster its efforts to attract conventions to St. Louis. It has mounted an aggressive campaign for "St. Louis—the Meeting Place."

That campaign has started to pay some hefty dividends. Some 421,000 conventioneers visited St. Louis in 1978 to spend $98,000,000, up from 288,000 conventioneers who spent $67,000,000 in 1977.

St. Louis also has struggled to present an image as a corporate headquarters town. It is home to such corporate giants as McDonnell-Douglas, Anheuser-Busch, Monsanto Corp. and Ralston Purina.

In seeking to attract more recession-proof office workers, the city plays its historical trump card, geography. In the frontier era, St. Louis was the "Gateway to the West," signified by the St. Louis arch. Today, the city boasts a central location allowing for good, inexpensive transportation and the lowest Bell System rates for nationwide WATS service in the country.

- The benefits as a headquarters city translate into tangibles such as the $96,500,000 that McDonnell-Douglas budgeted for capital investments in the area for 1979 alone.

But big St. Louis-based corporations such as 7UP Corp. and Pet Inc. have been picked off in the last couple of years by bigger companies in Chicago, New York and elsewhere.

Construction projects are pumping money into the St. Louis economy. The 31-story First National Bank building, a $48,000,000 project is under construction. It will add 900,000 sq. ft. of office space to the downtown supply. Funding for the tower comes from the First National Bank, IBM and the Equitable Life Assurance Society.

In the public sector, the $432,000,000, 1,200-ft. lock and dam project on the Mississippi was approved by Congress last year. The eight to 10 year project promises to add 10,000 jobs.

It also clears the way for expansion of the port, a move that is expected to add 16,000 new jobs, with another 16,000 jobs created indirectly by the work.

- Also in the public sector is the strengthened Scott Air Force Base, located near Belleville, Ill., just across the river from St. Louis. The full impact of the 2,000 new military personnel in the area is just now being felt.

Also on the military front, McDonnell-Douglas is a major supplier to the U.S. Air Force. While its DC-10 airplanes have been the focus of serious design and construction criticism, its military products have not been affected.

McDonnell-Douglas' St. Louis-area plants turn out military products, such as fighter-bomber jets and missiles. The company's commerical aircraft assembly plants are located in Southern California.

Wichita

Population	401,900
Rank	95th
Personal Income	$2,929,000,000
Income '77 vs. '76	+9.41%

A shortage of manpower remains Wichita's most pressing problem. The unemployment rate is a mere 2.8%, down from 3.2% a

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year ago. According to Gene Dickinson of the city's public relations office, scraping for people to fill jobs "is a nice problem to have."

The city's larger employers, however, have found the situation so bad that they are going outside Wichita to build new plants and facilities.

The Coleman Co. is now building a new 150,000 sq. ft. factory outside of San Antonio to manufacture its Polylite plastic coolers, canoes and machine parts. "We can't find enough people in Wichita [to man it]," said Coleman's Charles McIlwaine. "It is a real problem."

Beech Aircraft agrees. The company is opening a new plant in Selma, Ala., that will make modifications on planes built in Wichita and going to the Japanese Maritime Command.

"The shortage of manpower is primarily why we opened in other markets," a company representative said. Beech has expanded its operations in Newton, Salina and Liberty, Kan., and Boulder, Colo. "We decided to go to other places and draw on the people there," he said.

▪ To alleviate the tight labor market situation, the city government has come up with a recruiting campaign. The push, launched last spring, is comprised of three parts: Recruitment, retention and training programs.

Wichita's Chamber of Commerce collected 3,800 responses to a series of ads it ran to lure people to the city. The responses and resumes went to 750 local businesses, according to Mr. Dickinson.

Employment in Wichita has increased by 45% since 1970 with 68,150 people added to the payrolls. Of that number, 15,750 persons were added last year and 11,400 in the months from January to July, '79.

The city is also working to identify and recruit untapped labor forces within the city, such as housewives. And it has launched a program targeted at high school seniors and college students and designed to convince them of the benefits of staying put in Wichita.

▪ Manpower problems aside, business has been good in Wichita.

In 1978, Coleman Co.'s sales were up 10% to $283,600,000. The company broadened its canoe line, introduced a new six-pack sized "Little Oscar" and a new inflater that plugs into a car lighter, and recorded phenomenal sales of such energy saving devices as the Coleman heat pump. The company's biggest soft spot has been the machinery it provides the recreation vehicle industry.

Sales for Wichita's aircraft industry continued to soar in '78. Beech Aircraft's sales in '78 were $527,511,000 or 1,444 planes and in '79, early tallies predicted sales of $607,000,000 or 1,643 planes.

The company introduced a new Beechcraft King Air F-90 and a two-place training airplane, dubbed Skipper. The company's total payroll increased to 10,895 from 10,395 persons a year prior.

▪ Cessna also chalked up impressive sales increases. In '78, company sales were $759,354,000 or 9,179 planes, up from '77's total of $620,472,000 or 8,430 planes. The company built a new propeller and accessories plant in Dayton, O., as part of its McCauley Accessories division.

It is currently in the midst of adding 20,000 sq. ft. to its commercial jet marketing division in Wichita—an addition slated to be complete in the spring of 1980.

Cessna introduced a new agriculture plane called the Ag Husky and a retractable four-place airplane named Cutlass RG. The Wichita payroll has been increased to 15,300, from the 12,000 employed the year before.

Target Stores came to the city last year with two stores, each about 100,000 sq. ft. One is adjacent to the Town East shopping mall, the other to the Town West mall. The Town West mall is now being built with Montgomery Ward as one anchor. The other retailers in the 100,000 sq. ft. center have not yet been announced.

▪ New businesses in town include the Lubrication Engineers (manufacturer of various kinds of oil and grease products, employing 50 persons) and Continental Trailways. Trailways has started construction on a plant that will service from 100 to 200 buses a day.

There is a new amusement park in town called Fantasy, replete with water slide and rides. Coming this summer is a swimming pool with a wave-making machine.

A foundation has been formed to put together a plan to salvage downtown Wichita. Heading up the group is Gene Lambert, former publisher of the *Wichita Eagle*. The group was expected to get going in November.

And "every time you turn around, there is a new restaurant or new building," one Wichita resident said. "It's a little ole' pocket of prosperity here. Except for the hard-core unemployed or if you didn't want to work, there is no way you couldn't get a job here."

South Atlantic

Atlanta

Population	1,851,500
Rank	18th
Personal income	$13,465,000,000
Income '77 vs. '76	11.88%

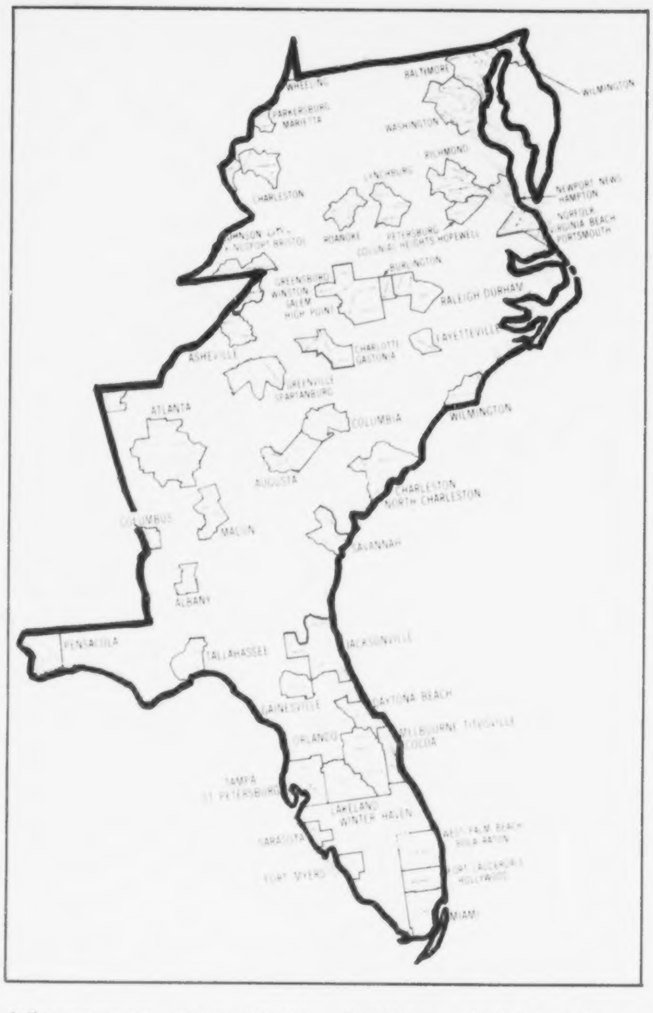
The list of mergers and acquisitions of Atlanta companies this year was long and somewhat unusual—even in this age of acquisition. Included were some of the city's oldest and most venerable firms.

Heading the list was the acquisition of Life of Georgia, founded in 1891, by the Nationale Nederlanden NV, the largest insurance holding company in The Netherlands. Another large Atlanta insurance firm, Coastal States, was also acquired by an international group, Sun Life of Canada.

The long-planned merger of Southern Airways and North Central Airlines finally gained approval from the Civil Aeronautics Board this year, and Republic Airlines was formed. However, this was a marriage that turned out to be not very beneficial to Atlanta as most of the new airline's operations were shifted to North Central's Minneapolis base. Two of Southern's top executives decided they didn't want to leave and started their own airline consulting business.

Barton & Ludwig, one of Atlanta's oldest and biggest residential real estate firms, was acquired by Coldwell Banker, the largest real estate company in the U.S., which is expanding its presence in the Southeast.

▪ A merger that continues to have repercussions throughout the city is that planned by Cox Broadcasting and General Electric's broadcast division. Before giving final approval, the Federal Communications Commission ordered Cox to divest itself of all properties in cities where it also owns the major daily newspaper—such as Atlanta.



Cox therefore auctioned off its two local radio stations, WSB-AM and FM. Metromedia purchased the AM station while a local black-oriented company purchased WSB-FM and announced plans to turn its beautiful music format into disco.

The fizz of acquisition also spilled over into Atlanta's important soft-drink industry. Coca-Cola U.S.A., purchased controlling interest in the Atlanta Coca-Cola Bottling Co., one of Coke's first locally owned independent bottlers. And Peter Eckes, a giant West German distiller, bought a 50% interest in Atlanta-based Moxie Industries.

"All of this activity is somewhat predictable," said an Atlanta investment counselor. "The middle tier of Atlanta companies—those that rank below national giants like Delta and Coca-Cola—include some very healthy, growing companies that are attractive to larger companies looking for investment. I can see this kind of thing going on for several more years."

▪ It hasn't been all one-way, however. Fuqua Industries, a widely diversified conglomerate based in Atlanta, continued its program of acquiring companies. One that didn't work was the attempted purchase of Hoover Co., maker of vacuum cleaners. Hoover stockholders repulsed the attempt and sent company head J. B. Fuqua packing.

In addition to the flurry of acquisitions, foreign investment in Atlanta continued to grow. Canadian companies and individuals flooded the market, and a heavy Arab presence continues—one bought the Atlanta Townehouse Hotel and renamed it the Ladha Continental.

Atlanta's healthy economy showed some signs of a slowdown toward the end of the year. Ford Motor's Hapeville plant has been operating at an average of one week off for every three on since last spring—an indication of the sluggishness in the midsize car market it serves.

And while the real estate market was booming all summer, the tightening of money and the forecasts of problems in the near future have caused builders to pull in their horns, and bankers to clamp down on loans.

▪ Yet building in downtown Atlanta continues apace. Southern Bell and Georgia Power are both working on new office towers; Coca-Cola is ready to move into its new North Ave. building; the Atlanta City Council is trying to decide which, if any, major redevelopment plans to approve for the south-central downtown area linking Rich's Department Store with the Omni complex, and everyone is anxiously awaiting the unveiling of architect John Portman's plan for the Great Park, a several-hundred-acre tract of abandoned highway right-of-way east of the city.

Underneath it all, construction of the Metropolitan Atlanta Rapid Transit Authority system also continues and finally began to pay off this year. The first seven-mile leg of the newest subway system in the U.S. opened with great fanfare in July and a second section is scheduled for opening in late December. They may be tearing up Peachtree St. again, but Atlantans are finally beginning to see some results.

Atlanta's biggest problem continues to be the growth of crime in general and murder in particular. The number of homicides increased almost daily during a long and bloody summer.

Atlanta's police are undermanned and divided over an on going battle between two policemen's labor organizations, one predominately white, the other black. The city's leaders are unable to bring an end to the impasse and several court suits have prohibited additional hiring. Instead, Atlanta's political leaders have been reduced to complaining—often rightly—about the excess publicity Atlanta's murder problems have received on a national scale.

Mayor Maynard Jackson has pledged an intensive lobbying effort in next year's state legislature for tougher gun control measures—which will be difficult to pass. Failing that, he has said he will enact tough measures of his own at the city level.

Baltimore

Population	2,145,200
Rank	14th
Personal income	$15,362,000,000
Income '77 vs. '76	8.57%

Baltimore is moving into high gear. The air is charged with anticipation and the sweet smell of success. A glance at the Inner Harbor area reveals intense development activity.

The city's facelifting began over 10 years ago. To date, 34 major buildings have been completed with an assortment of new structures in varying degrees of completion. There's activity from one end of the finger piers to the other.

Internationally acclaimed architect Moshe Saftie was asked to weave wonders on the old Power Plant situated on Pier 4, eventually turning it into a 300-room hotel. Another pier was temporarily blacktopped to supply 540 badly needed parking spaces.

The $18,000,000, 10-story prize-winning design Aquarium on Pier 3 is quickly taking shape, completion due in 1980. And, in the prime location at water's edge, Rouse Co.'s Harborplace construction is bringing 154 new retail shops to a Quincy-Market-style mall.

▪ Radiating from the harbor is a bevy of activity. In cooperation with the National Housing Partnership, a Washington, D.C., developer broke ground on Inner Harbor West's 199 subsidized housing units for the elderly, as well as townhouse units near the University of Maryland's downtown branch. Eventually there will be 450 units.

A major new apartment complex started this winter to the south of the McCormick Bldg. with 250 luxury rental flats and parking facilities. The city bought Quille's parking garage across from the World Trade Center and plans to develop one of the few remaining available open tracts as an office building attached to the garage.

The city and the Chessie System agreed to a major $24,000,000 rehabilitation effort to reclaim the 22 acres at the B & O Railway Station, warehouse and surrounding property west of the Inner Harbor. The 10 to 12-year project will include office buildings, residential units, hotel, restaurant and parking facilities.

The General Service Administration went on record advising all federal agencies to consider locating in Baltimore because Washington's office space was limited and extremely expensive. This meshed with the city's own promotion of a Baltimore-Washington common market concept which gained momentum when the Baltimore-Washington regional market committee was formed.

▪ The Equitable Trust Bank nears completion of its 18-story headquarters tower, housing Hutzlers department store and a series of retail outlets.

Nestled across the street is the newly opened $45,000,000 Convention Center. Nationwide media covered the center's opening in August when President Carter addressed the Sons of Italy.

The ripple effect from the Convention Center is just beginning to be felt in the city. Baltimore has been inhibited in attracting tourist dollars by limited hotel facilities. The Hyatt Regency saw the potential and broke ground in August for its $33,000,000, 500-room luxury hotel.

The downtown Hilton, fallen into disrepair, received a much-needed transfusion when Kuwaiti investors bought it, changed management and poured revenue into refurbishing the interior. Company ownership changed hands: Heidelberg Zement of Germany purchased Lehigh Portland Cement; Hess Shoe Co. merged with Goertz Corp. of Germany; Crown Central bought Continental Insurance Co., and G. Heileman Brewing Co. of Wisconsin acquired Carling National Beer.

▪ The downtown retail market has been Baltimore's Achilles heel. Two years ago Hochschild-Kohn closed its downtown branch, followed this year by Stewarts department store. Hutzlers closed half of its display space downtown, leaving only the Hecht Co. in dismal and depressed surroundings.

Three events in the depressed retail district should dramatically change the economic forecast for downtown. In the northern portion, Social Security prepares for a winter opening for 5,000 employes at its new administrative building, with provisions for 25,000 additional personnel in the future.

Construction on the downtown subway which has marred the city for the past few years, will be completed by 1982. And, in preparation for these changes, the American Cities Corp. (subsidiary of Rouse Co.) has been retained to analyze the downtown area and give recommendations for massive redevelopment.

There are even more hopeful signs in the retail arena. Woodward & Lothrop, Washington, D.C., announced plans to invade the Baltimore market with at least three stores, the first one to locate at Rouse's White Marsh Mall in Baltimore County.

That mall boasts the first five-store anchor mall. Bambergers, also making its first entry into the Baltimore market, will locate there along with Hutzlers, Sears and J.C. Penney.

Bloomingdale's is rumored to be considering a Baltimore site while Hoshchild-Kohn looks for a buyer and Stewarts looks for some relief from financial troubles.

▪ A pro-business aura seems to have filtered up from the city to the state with the election of Harry Hughes as governor. The state repealed a 2% manufacturers tax on the purchase of machinery and repealed the tax on profits from foreign subsidiaries.

It lifted the 10% ceiling on mortgage rates and set up a Commercial Redevelopment Fund. The state issued its largest advertising contract for promoting its image and appointed an experienced secretary of economic development, James Roberson.

Baltimore is still leading the way in innovation, however. The famed $1 housing concept was replaced by on-the-job training of CETA employes who turn delapidated, repossessed hovels into livable shells that are then sold to homesteaders on the open market.

Business got a big boost when, in a pilot program, Baltimore's largest commercial banks, savings institutions and a life insurance company committed over $51,000,000 to provide long-term financing for the small and medium-size businesses.

In addition, the city will have its first planned office park, compliments of Hewlett-Packard, one of the world's largest regional electronics firms. The company announced plans to construct its regional distribution center at Caton 95 Business Park with a 50,000 sq. ft. sales/service building and plans to eventually relocate electronic and technical personnel to the site.

▪ Among others reporting large industrial expansion are Indiana Grain (division of Indiana Farm Business); Federal Yeast; Schluderberg-Kurdle (Esskay); Bethlehem Steel; McCormick; Glidden-Durkee; Exxon, and Davis Chemical (division of W.R. Grace). The number of reports declined this year, reflecting the nationwide belt-tightening.

Inflation hurt the Block Grant Program. The $30,000,000 grant is buying less at a time when the city's needs are expanding. The gasoline shortage that sent Maryland drivers on an odd-even rationing schedule was lifted in October, but had adverse effects on the travel industry. Heating fuel shortages, along with escalating fuel prices, do not portend well for the winter.

Also questionable is the development of the port. The major channel is filling and if not dredged will cut off access to Baltimore by major shipping.

Pollution menacingly invades The Chesapeake Bay waters damaging the productive $11,000,000 seafood industry. And the Port of New York is pressing for equalized shipping freight rates along the East Coast which would badly damage an already shakey shipping industry.

Bethlehem Steel Shipyards faced possible closure for lack of work but now seems to have won a reprieve with Amerada Hess Corp.'s choosing it as the proposed builder in two separate orders of three ships each, each order costing $108,700,000.

Baltimore-Washington International Airport had elaborate dedication ceremonies in October to celebrate the $70,000,000 expansion. Space increased by 75%, allowing for three times the number of passengers now served. Passenger volume increased 11% in the first half of the year and nine new carriers added Baltimore to their rosters.

Catching investment fever, two national chain restaurants are now located in Baltimore: The Rusty Skupper, with plans for four locations, and the Chart House. The city-owned steamship, the Nobska, was sold to Adam Siegel who plans to reopen the floating restaurant by year's end at the Inner Harbor.

A highly charged sports drama captured headlines for a major portion of the year. First the Orioles were sold to Edward Bennett Williams, firing controversy over whether the club would move to Washington. (It's not.) Then volatile public pronouncements by Colt owner Robert Irsay threatened to move the franchise to another city. (It's not—yet.)

The basic soundness of Baltimore's economy is born out by both Moody's and Standard & Poor's A rating. In a time of near bankruptcy for many large cities, perhaps that rating speaks for itself.

Charleston, S.C.

Population	389,000
Rank	97th
Personal Income	$2,166,000,000
Income '77 vs. '76	8.35%

Consider an area with this sort of growth:

- An aluminum ingot manufacturer is building a $400,000,000

(Continued on Page 46)

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100 MARKETS

(Continued from Page 45)

plant, the largest single industrial investment ever made in the state.

- A long-awaited $40,000,000 convention center and hotel complex appears ready to get off the ground.
- A $56,000,000 expansion of port facilities is under way, to be followed by a second-phase project costing $57,000,000.
- The local naval base increased its military payroll by 5,000 during the year.
- Airport expansion, totaling $40,000,000, is under way.
- The Sheraton Corp. is putting up a $13,000,000 hotel.
- Three hospitals are building major additions, and a fourth is relocating to a brand new facility in the suburbs.
- A marsh is converted by the county into a 725-acre family oriented recreation park, complete with lakes, hiking trails and picnic areas.
- A new four-building museum complex is being built; it will feature natural history, decorative arts, anthropology and a library.

What we have here isn't Los Angeles, Chicago or Miami. It's Charleston, S.C.

Charleston may not be among the giants in population, and even population projections through 1995 don't put the three-county SMSA much beyond the half-million mark.

But few of the bigger metropolitan areas in the nation can match the sort of progress that has turned the Trident Region, long a dormant area noted mainly for its antebellum architecture, into what city fathers now term a "complete" metropolitan area.

"I can't think of a thing—nothing at all," says a Charleston business leader, asked if it was just possible that somehow, somewhere, there was a flaw in the economy.

Unemployment in Charleston, Berkeley and Dorchester Counties was down a point-and-a-half, to 5.4%, in June from the previous year's figure, and even a slight decrease in tourism because of the gasoline shortage has been reversed.

As a matter of fact, tourism increased in Charleston during the 1973-74 gasoline crisis, and an aggressive advertising campaign is already showing signs of turning the 1979 gas crunch into yet another plus for the area, as tourists abandon long trips to visit areas closer to home.

The convention center proposal, which preservationists have opposed for years because of its size and because several historic buildings would be destroyed, has been given the go-ahead by the South Carolina supreme court; the city is now awaiting environmental clearance from the federal government.

Although another lawsuit is possible, city officials say they are hopeful that construction can start soon; the complex would consist of a hotel and department store—no tenants have been selected—and the convention or conference center.

Alumax of South Carolina, which manufactures aluminum ingots, is constructing a facility in Berkeley County, north of Charleston. It is expected to have 1,700 employes. Once in production, probably by mid-1980, it is to have about 800 fulltime employes.

Port facilities are being expanded with the addition of three berths to the present 13; four more are to be added in the second phase, which would begin when the first is completed, in late 1980 or early 1981. The city's port, which has about 5,000 employes, already is one of the leading container ports in the nation.

The expansion of Charleston International Airport also is being done in phases, with the first phase—relocation of a hazardous cargo area—already completed. Construction is to begin on a new passenger terminal.

Charleston is the headquarters of the Sixth Naval District, and about 5,000 Navy personnel came aboard in 1979. Total military employment in the area, including Charleston Air Force Base, the southern terminal for the Military Airlift Command, increased to 22,500 military and more than 12,500 civilians, with a total annual payroll of just under $600,000,000.

Among other industrial growth in 1979 was the announcement of a 1980 start for Perseverance Textiles, which is to have 400 employes. Also, Geo. J. Meyer Mfg., with 650 employes, is to begin production late in 1979, and the Jim Walter Corp. metals division is expected to open a plant having 150 workers.

A few miles north of Charleston, S.C., sea-grass weavers create ornamental products from marsh grass.

Charlotte, N.C.

Population 605,900
Rank 66th
Personal income $4,209,000,000
Income '77 vs. '76 .... +11.08%

They're looking up and down in Charlotte these days. Up, to try and picture what the new addition to the city's skyline will look like; down, to see if ground has been broken yet.

Trammel Crow Co., a major southeastern real estate developer, this summer announced plans for a 31-story office tower adjoining a 35-story luxury hotel in Charlotte's downtown area. But so far, the addition is still in the planning stage.

While new development will be a plus for the city's skyline, it will be but one more lift to a business economy which is already strong and growing.

Downtown Charlotte, in particular, shows signs of vitality. The First Union National Bank this year completed construction on a new facade on its 10-story headquarters, as well as a pedestrian mall called Crystal Gardens. The mall is connected to Charlotte's Skyway system, an enclosed, climate-controlled elevated walkway that links six city blocks.

- Restoration and building continue in the city's Fourth Ward area. Discovery Place, a $7,000,000 children's nature and science museum is under construction across the street from the First Baptist Church's new cultural center, Spirit Square.

Many of the fine old buildings in this historic district have been restored and converted to condominiums, and more such projects are currently under way. Many of the units are sold before construction begins.

Housing throughout the market continues to be a problem. Despite the climbing mortgage interest rates, builders report they cannot get homes up fast enough to satisfy the demand from homebuyers. Inventories have been low all year, though industry representatives say the picture is finally beginning to improve.

Charlotte's expanding economy is a principal cause of the housing shortage. The rapid growth of recent years has created an influx of new families.

IBM's Communications Systems division, for example, last year began building a major new manufacturing plant, and estimated that some 1,600 new workers would be transferred in. Although the plant is still under construction, more than 1,000 families have already moved into the market, and no one is sure how many more can be expected.

- This influx into the SMSA has also put a strain on the school systems. Gaston County voters in September approved a referendum to sell $20,000,000 worth of bonds for badly needed improvements to their school system's physical plant, and to build three new facilities.

At the same time, however, the voters soundly defeated an additional $10,000,000 bond issue that would have provided recreational and cultural facilities in the county. Gaston officials blamed a "Proposition 13-style" taxpayers revolt for the defeat.

Three-quarters of Gaston County's economy is based on manufacturing, especially textiles. The labor market continues strong and county officials have begun a drive to attract smaller, capital-intensive industries to the area.

Freightliner, a huge trucking company that opened in 1977, is still hiring and expanding operations. Handy City opened a major new retail store in Gastonia, and new industries in the county included Dixie Yeast, MTE Hydraulics and Commercial Shearing—representing a total new investment of some $11,000,000.

- In Charlotte, Independence Park, a major new $41,000,000 office park began construction this year. Kilsby Tubesupply, a steel manufacturer, opened a new $6,000,000 plant, while Florida Steel Corp. announced a $7,500,000 expansion project.

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Daily Coverage in Denver SMSA

	News	Post
Working Women	45%	27%
Women 18-24	39%	16%
Women 25-34	44%	14%
Women 35-44	49%	28%
Women 18-34	42%	15%
Women 18-44	44%	19%
Women 18-49	43%	22%

SOURCE:
The Belden Continuing Market Study, 1978

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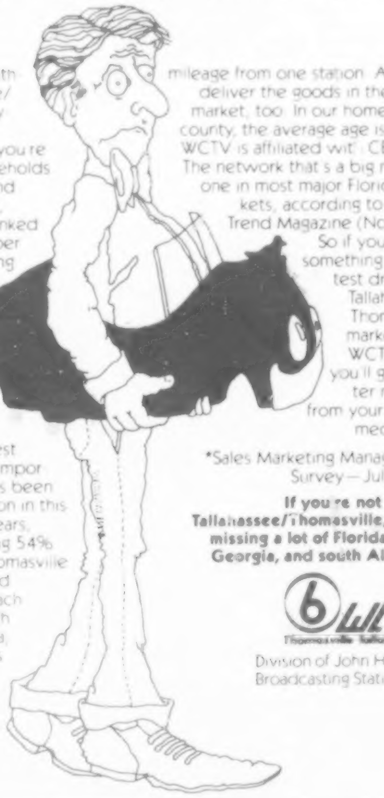

Buying Florida without buying Tallahassee/Thomasville is like buying a car without the wheels. For starters, you're missing 124,200 households (ARB '78) in Florida and south Georgia. In fact, Tallahassee alone is ranked 24th in the nation in per household retail buying power. And the Tallahassee/Thomasville market ranks 13th among the fastest growing metros in the country.*

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So if you've got something to sell, test drive the Tallahassee/Thomasville market with WCTV. And you'll get better mileage from your Florida media buy.

*Sales Marketing Management Survey—July, 1978

If you're not buying Tallahassee/Thomasville, you're missing a lot of Florida, south Georgia, and south Alabama.

6 WCTV
Thomasville Tallahassee

Division of John H. Phipps Broadcasting Stations, Inc.

BLAIR TELEVISION

Most of the country's largest trucking companies maintain large operation centers in Charlotte because of its central position on the interstate system—and many of these companies announced expansion plans.

Carowinds, a large amusement complex near the city, made it through the gasless summer without major problems, and announced at season's end that it would reinvest another $2,000,000 in the facility.

And Charlotte's sporting scene—traditionally associated with stock car racing and football—got a touch of class this year when the U.S. Equestrian Open Jumping Championships, the major event on the U.S. Grand Prix tour, were held in the city. It was later announced that the championships would return to Charlotte again next year.

Columbia, S.C.

Population	380,000
Rank	98th
Personal income	$2,413,000,000
Income '77 vs. '76	+9.83%

Columbia, S.C., may typify the best of the progressive new South, as it basks and grows in the sweep of the Sunbelt.

But even as it enjoys increased migration from northern states, it is as concerned as most areas about energy shortages and conservation. Hence, major citywide energy-saving measures have taken top billing among new activities for 1979.

Mayor Kirkman Finley hopes motorists will realize significant fuel savings with the implementation of a plan to reroute railroad grade crossings. By locating central city railroads into a north-south corridor, the city hopes to eliminate 80% of all crossings. This should greatly decrease the need for stop-start driving in the downtown area. Columbia seeks federal funds to assist in this effort.

Meanwhile, the city's police force has cut back energy costs by converting to more fuel-efficient mid-size police cars.

▪ Energy-saving devices are even being built into the city's water and waste treatment works. The design of the soon-to-be-constructed Metro Wastewater plant expansion relies heavily on the use of methane gas generated in the treatment process.

This design allows greater self-sufficiency of the plant itself. Methane gas generated in the treatment process can in turn be burned to heat all or part of the plant's buildings, decreasing the plant's reliance on outside sources of energy.

Energy savings may also be realized after wastewater treatment. Columbia aims to implement a water system which will pump water at an even rate 24 hours a day from treatment plants to storage facilities and customers.

Under present conditions, pumping rates coincide with usage—they usually peak in the morning when water usage is highest, and drop off during the night while the community sleeps. Columbia's revised system will help to equalize pumping rates, and should reduce electricity consumption by more than 15%.

▪ Finding recreation close to home is one way to cut fuel costs incurred by travel. Columbia understands this, and as a result, has chosen to develop the riverfront area downtown.

Once completed, this new recreational area should provide leisure time activities for hundreds of thousands of residents from South Carolina's Midlands, according to Mayor Finley. Revenues from increased tourism are also expected to boost the local economy.

Healthy reserves in electrical power and availability of natural gas have enabled Columbia to weather the worst of the energy crisis. Yet, while the chamber of commerce reports that the average resident has not had any difficulty filling his tank, the airlines servicing the Columbia area have.

The jet fuel shortage combined with deregulation caused cutbacks in airline service, even as renovation of the airport was completed. In the past year, two major carriers, Delta and Eastern Airlines, have cut back the number of flights out of Columbia.

Southern Airways has pulled out entirely. Still, according to the chamber, the number of direct flights to Atlanta has remained constant, "and if you can get to Atlanta, you can get anywhere."

Meanwhile, Columbia's industrial base continues to expand steadily, bringing with it new jobs and a healthy housing market. Michelin will offer a good portion of these jobs—close to 2,000—when it opens its steel-belted radial tire manufacturing plant in 1981. The tire maker announced and subsequently broke ground for the new $100,000,000 facility this year.

New York-based Indian Head Inc. hired about 100 new employes this fall to staff its InCon bottle manufacturing plant. The corporation purchased the former Summer Co. building, and remodeled it for the manufacture of two-liter plastic soft drink bottles. Full-scale production should begin in January.

Carbide Alloys, a division of Cerametal of Luxembourg, will employ upwards of 200 workers when it opens its new facility in Richland County Industrial Park at the end of 1979. FN Manufacturing, owned by Fabrique Nationale of Belgium, hired 200 workers when it opened its manufacturing facility this year. FN produces automatic shotgun rifles for Browning Arms Co.

Gould Inc. of Chicago, producers of industrial electrical control equipment, completed a new electrical switch gear plant this year. It should be open and operating with a staff of 200 by the end of the year.

Fort Lauderdale-Hollywood

Population	881,900
Rank	42nd
Personal income	6,771,000,000
Income '77 vs. '76	+13.1%

Despite a virtual shutdown of state gasoline supplies in midyear, the Fort Lauderdale-Hollywood area actually gained economic ground in 1979.

Retail sales figures are up nearly 19%—too large a figure to be credited only to inflation. Unemployment continues its steady decline from a 1975-recession high of 15% to last year's 7% and a 1979 midyear figure of 6%.

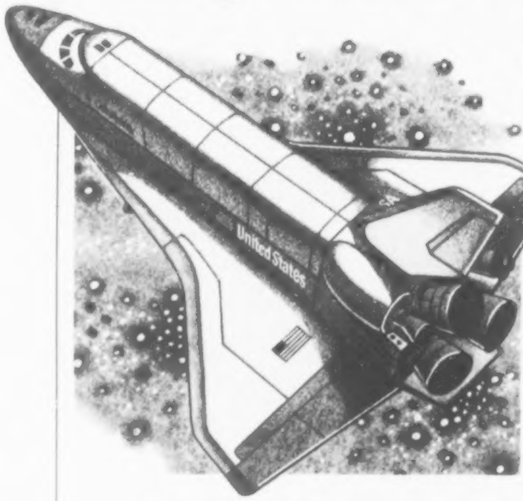
The number of people arriving at Fort Lauderdale-Hollywood International Airport is up 10% and the city of Hollywood reported that advance bookings for this year's tourist season are up correspondingly.

A continuing need for housing helped keep threats of recession at bay. During the last recession, the area was overbuilt and when tight money dried up demand, the construction industry came to a standstill.

Today's picture is far different, with Hollywood reporting its

(Continued on Page 48)

Spaceships, Spark Plugs, Savings Plans and Chevrolet.



The melody often lingers on from the advertising that we make at Campbell-Ewald.

Of course there's "Baseball, hot dogs, apple pie and Chevrolet."

There's also the impactful advertising we do for Rockwell International. It includes aerospace, electronics, automotive and other industrial businesses. Plus corporate.

We're responsible for the AC-Delco "Thanks, AC" consumer campaign that's significantly increased the brand's awareness.

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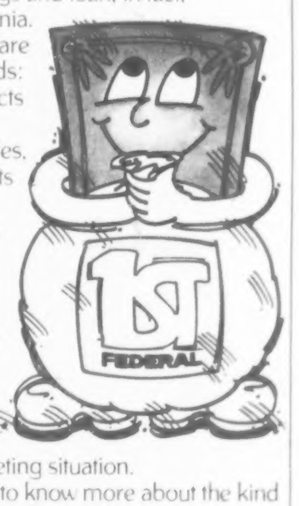

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(Continued from Page 47)

building permits up 22% over last year and countywide rental apartments running only 1% vacant. This has pushed the area's rental prices to one of the highest points in the nation.

- Meanwhile, new housing developments are coming thick and fast. Arvida finally got approval for its mammoth Indian Trace development, which eventually will put a planned community (a la Reston, Va.) in what today are swamps just east of U.S. 27 and south of State Road 84. Arvida execs expect the first people to start moving in by the end of next year.

Hollywood has nine developments under way or about to start, the largest of which involves 3,500 condominium units where the Hollywood Golf & Country Club golf course is now.

Work is getting under way on the projects specified by last year's successfully voted $250,000,000 bond issue. "By this time next year, we'll have 70% of all right-of-ways acquired for the roads and half of them will actually be under construction," said Elaine Wardwell of the Fort Lauderdale Chamber of Commerce.

Unfortunately, things are not going so smoothly with the long awaited and desperately needed east-west expressway scheduled to head west from Port Everglades. The same is true of the airport terminal expansion. The best guess now is that the expansion will go on the east side of the airport rather than the southwest, which will mean relocating U.S. 1 and at least one set of railroad tracks.

- Downtown Fort Lauderdale remains an area of wide open spaces (half of it was demolished and replaced with a "temporary" park five years ago), but a 21-story office building to be named One Corporate Plaza is going up and the Downtown Development Authority now is trying to decide what to do with the rest of the area. Hotels, another office building and residential condominiums are high on the list because these would draw people to the area.

As for Hollywood, a $20,000 study by a Chicago company said the future of downtown will lie with professional offices and financial institutions. "Our downtown is starting to decay. This has been our major weakness and that is what the downtown project is designed to stop," said Robert Bartz of the Hollywood CofC.

Ethnically, the face of the area continues its slow change. Cuban residents continue to trickle in from Miami. Some 50,000 live here now. But an even bigger surprise is the influx of French Canadians, especially as visitors and winter residents.

Only 10 years ago, Air Canada was flying 30,000 Canadian visitors in and out a year. Now the figure is 250,000 and it's estimated that several hundred of these wind up staying. Mostly, they're buying motels along the beach, restaurants and travel agencies.

- Hollywood is now home to three new industries, Atlas Pen and Pencil, Gribetz & Son (quilting machine manufacturer) and Plasma Techniques (industrial plastic coatings). Food Fair has moved its corporate headquarters to Fort Lauderdale.

Educationally, a $6,000,000 expansion is under way at Sheridan Vocational School in Hollywood and Broward Community College is renovating its downtown Fort Lauderdale quarters. The county also has a new cultural center, the 1,200-seat Ralph Bailey concert hall on the BCC main campus and plans are under way to build a $15,000,000, 3,000-seat opera and symphony hall.

The Hollywood Sportatorium, long infamous for its rock concerts, may become the permanent home of a pro basketball team. The Hollywood location is one of three or four sites being considered nationally by the National Basketball Assn.

Greensboro-Winston-Salem-High Point, N.C.

Population	779,300
Rank	52nd
Personal income	$5,460,000,000
Income '77 vs. '76	+10.48%

Big things are afoot in the north-central area of North Carolina, and the growth is well distributed among its three major metropolitan areas.

In Greensboro, Southern Life Insurance is completing a $10,000,000 corporate headquarters and will begin construction soon on an identical office tower next door. Two major hotel chains are considering building on the same tract, although Greensboro voters in October defeated a referendum proposal for a $7,500,000 convention center that would have assured construction of one of the facilities—a 350-room, $20,000,000 Loews Hotel.

Winston-Salem is raising more than $7,000,000 in private and public contributions for development of a downtown cultural block, and proposals are in the works for a $33,000,000 downtown arena, an $80,000,000 commercial "Superblock" development and a $250,000,000 six-square-block downtown redevelopment program. R. J. Reynolds Tobacco Co., the major employer in the city, is undertaking three building projects totaling $83,000,000.

- High Point officials are ready to construct High Point Center, a $35,000,000 downtown project that will include yet another convention center; a 17-story office building, which would be the tallest downtown building, and a 350-room hotel, which would be connected by walkways to the massive Southern Furniture Market Center and to the First Citizens Bank building.

Voters in the area approved a liquor-by-the-drink referendum proposal early in the year, and officials in Greensboro and High Point noted that restaurant trade and expansion increased significantly as a result.

Unemployment in the SMSA was steady at 4.5%, primarily the result of unspectacular but steady growth of small industry. And officials credit airline deregulation with increasing the volume of passengers by 17% at Tri-City Airport, as both Piedmont and Delta airlines added nonstop flights and United Airlines opened its Memphis Gateway, which provides nonstop service to Memphis and connecting flights to the West Coast.

"We've always had excellent North-South airline service; this gives us access to the West Coast," said a Greensboro business leader.

- Industrial as well as commercial growth is taking place in Greensboro. Levi Strauss & Co. purchased the old Greensboro Mfg. Co. and began producing women's apparel early in November. The company is expected to have 700 employes eventually.

Other new industrial companies in the Greensboro area include Atco Rubber Products, Energy Development Associates, Rebau Plastiks, E. R. Squibb & Sons and Procter & Gamble, which has acquired land for a large manufacturing plant.

Miniature scale model uses white buildings to indicate structures either under construction or proposed for Baltimore's Inner Harbor.

An old newspaper building became a downtown center for the visual arts in Greensboro. And near the Greensboro Coliseum, Holiday Inn-Four Seasons announced a $10,500,000 expansion that will add 250 rooms and 60,000 sq. ft. of meeting space.

In sports, the Greensboro Hornets, a Class A baseball team affiliated with the New York Yankees, completed what city fathers call a very successful first season in 1979.

- Meanwhile, in Winston-Salem, downtown redevelopment is being spurred by conversion of an old J. C. Penney Co. building into an office building and renovation of the Arista Mill into a complex of retail establishments, restaurants and offices. The two projects total some $4,000,000 in private investment.

The cultural block, Winston Square, will consist of headquarters of the city's arts council; Sawtooth Mill, an old textile mill that will become an art gallery and restaurant, and galleries and a rehearsal hall for the Winston-Salem Symphony Orchestra in the former YMCA building.

- "Superblock," a four-square-block area across Winston Square, would be an $80,000,000 complex of shopping centers, condominiums and apartments, a hotel, amphitheater, law offices and athletic facilities.

An even larger proposal is a $250,000,000 revitalization plan to transform six square blocks bounded by Fourth, Sixth, Cherry and Liberty Sts. into more than 2,500,000 sq. ft. of office, retail and commercial space.

- In High Point, the $35,000,000 High Point Center is designed to fill a square block on Main St. and transform the central downtown area.

Developers are being selected, and construction is expected to begin in the spring, 1980, with completion planned in late 1981 or early 1982.

Among new industries in High Point is Olde World Products, which distributes institutional and household cleaning products, and has 125 employes. Perstorp Inc., a Swedish manufacturer of decorative laminates for the furniture industry, opened a plant in High Point during 1979. Officials expect its work force of 45 to quadruple within the next two years.

Greenville-Spartanburg, S.C.

Population	541,000
Rank	73rd
Personal income	$3,291,000,000
Income '77 vs. '76	+10.36%

In many respects, the Greenville-Spartanburg area could be considered a tale of two cities.

Generally, the three-county SMSA is a high growth region, still dependent upon textiles and related businesses but broadening its economic base and drawing increasing numbers of new industries.

But the area's two major cities, Greenville and Spartanburg, are about as disparate as they could be.

Greenville is one of those Horatio Alger success stories, making the transformation from a sleepy old mill town to a thriving urban center. It shows booming industrial growth, a revitalized downtown and a new found reputation as a little giant in the art world.

- While Spartanburg also is attracting new industrial growth, on the other hand, most of it is outside the city limits. Downtown Spartanburg is suffering the pangs of urban decay, and middle-class and wealthy residents are moving in increasing numbers to the suburbs, eroding the city's tax base.

Urban renewal projects are under way, but repeated attempts to revitalize the city center have not gone far. Perhaps a third of the shops on the downtown mall have gone out of business or moved to suburban shopping malls.

Pickens County, meanwhile, continues its quiet growth, also attracting some new industry and showing a healthy increase in home building, despite high interest rates.

- In Greenville, construction is well under way on Greenville Commons, a $27,000,000 project that will include a five-story IBM office building, a 350-room Hyatt Hotel featuring a seven-story atrium, a convention center and a parking space.

The Commons is rising on Main St., which itself is undergoing $1,000,000 worth of redesign and reconstruction. Unlike many street projects, Main St. is not being widened; rather it is being reduced from four lanes of traffic to two, and through traffic is being diverted around the area, which extends from city hall some eight blocks to the Commons. The street is being landscaped and is designed to become more pedestrian oriented with the addition of benches and better lighting.

- A local industrialist purchased 26 Andrew Wyeth paintings and gave them on permanent loan to the County Museum of Art in downtown Greenville.

"It's hard to overemphasize the impact that had," says a local business leader. "All of a sudden, Greenville went big-time in the art world. Now, if we want to borrow some other collections to show here, we have something to offer in return."

Elsewhere, the downtown Greenville Memorial Hospital is undergoing a $33,000,000 expansion. The six-floor addition will add 260 beds, a new trauma and emergency department and a new diagnostic and treatment area.

Within the city limits, several large industrial developments are taking place. Digital Equipment Corp., Waltham, Mass., one of the nation's largest manufacturers of minicomputers, is planning a 100,000-sq.-ft. plant on 150 acres. The plant, which will manufacture printed circuit boards, is expected to have some 300 workers.

- Also downtown will be the southeast regional headquarters of the Wickes Corp., a $2 billion-a-year building supplier based in San Diego.

In the eastern section of Greenville, Haywood Mall, billed as one of the largest shopping malls on the East Coast, is scheduled for opening in 1980. Its more than 1,000,000-sq.-ft. will be anchored by such stores as Rich's, Sears and J. C. Penney Co.

Outside the city, Keystone Consolidated Industries of Peoria, Ill., plans to build a wire products plant in Greenville County. The 120,000-sq.-ft. facility is expected to have 200 employes.

Greenville business leaders note that in 1978 the county added capital investments of $166,000,000 in new and expanded industry, adding 2,800 new jobs. In 1979, both totals should be higher, they say.

- In neighboring Spartanburg County, some $115,000,000 in new and expanded industrial growth occurred in 1979. The largest is a $50,000,000 printing plant being constructed by R. R. Donnelley & Sons Co., the Chicago-based company that prints telephone books and the Sears catalog.

The company, now in temporary facilities, expects to have 1,000 employes in a 40-acre plant. The site is along Int. Hwy. 85, just outside the Spartanburg city limits.

The electronics division of Monsanto Co. took over an existing factory in Woodruff, south of Spartanburg, as a plant to manufacture silicone discs for the computer industry. Production is planned by summer. And Michelin started a $12,000,000 expansion of a tire plant west of Spartanburg. The project is expected to increase its employment at the plant from 750 to 1,000.

The downtown Spartanburg redevelopment project, first announced in 1974, was to include two seven-story office buildings, a shopping complex, an ice skating rink, a civic center and a 15-story hotel. But financing was never secured, and tight-lipped city officials now say the project hinges on evidence of support by the local business community.

Meanwhile, the square block in the very center of downtown Spartanburg remains unoccupied, and neighboring businesses, tired of waiting for the shot in the arm that

Spartan Square would provide, move to the suburbs in increasing numbers.

- "The downtown area is really suffering right now," says a newspaper business writer in Spartanburg. "The merchants are hinging their hopes on the future of the mall on Spartan Square."

In Pickens County, major industrial growth includes Fluid Controls, which plans to build a 60,000-sq.-ft. facility in Easley to manufacture electromechanical solenoids. The $3,000,000 facility eventually is expected to have 100 employes.

And American Store Equipment Corp., known as Amstore, is putting up an 80,000-sq.-ft. building in Liberty. Such store fixtures as display counters would be manufactured at the plant by a work force of 100.

Jacksonville

Population	701,500
Rank	56th
Personal income	$4,538,000,000
Income '77 vs. '76	+9.64%

Few cities can match Jacksonville's growth and expansion over the past decade, and the city stayed right on course in 1979. Massive building projects are sprouting downtown, and others, including a convention center, are on the planning board.

The diversified economy, anchored by three huge naval bases, remains virtually recession-proof; unemployment dropped to 6% this August from 6.2% a year before.

Detroit's losses were Jacksonville's gain, as near-record numbers of Japanese automobiles came into the country through the city's ports. "We say we're No. 1 in imports, and Baltimore says it's No. 1," says a newspaper business editor. "But whichever, we're going great guns."

The icing on the cake could be a pending congressional decision on whether the new King's Bay submarine refitting plant, just 35 miles north of Jacksonville in Georgia, will become the East Coast Trident submarine headquarters. If so, its present complement of 2,000 personnel could reach 30,000, giving another boost to Jacksonville business.

- Two major building projects are planned in Jacksonville, one in the central business district and the second to the south on the St. John's River, although plans for both have not yet been completed.

A $200,000,000 project called Northbank is planned for an eight-square-block section in the heart of the city. Southern Bell will build a 1,000,000-sq.-ft. office building there, and city officials are negotiating with hotel chains for a 500-room facility.

The huge site is being cleared of old buildings which will be replaced by a variety of commercial buildings, as well as a convention center, although the plans are still on the drawing board.

St. John's Place, the other major city project, will include a 350-room Sheraton Hotel, which is already under way. That project will include shops, office buildings and restaurants, as well as condominiums, and will feature a boardwalk along the St. John's River.

The Universal Marion Bldg., an office building whose owners went bankrupt, was purchased by a local conglomerate, and will be refurbished. The project, said a local businessman, will "remove a pall, a ghost that has been hanging over the fringe of the northeastern downtown."

Hemming Plaza, a small downtown park that had fallen upon hard times, was refurbished and landscaped, and now features band concerts, theater groups and ballet troupes. And a $2,100,000 multipurpose service center for senior citizens is to be completed by the end of 1979 on the eastern end of downtown.

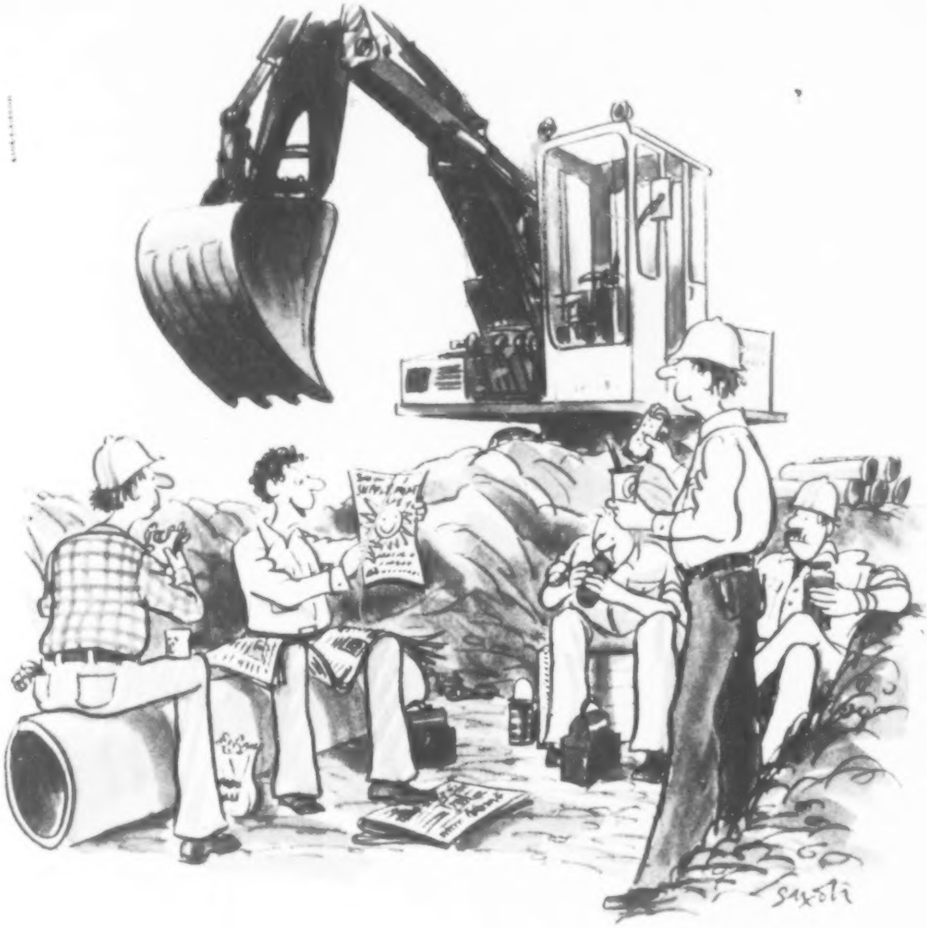
Environmentalists have brought suit to prevent construction of a $150,000,000 bridge across the St. John's River at Bridge Mill Cove. The bridge, which had received the approval of the Coast Guard, would be the missing link to the I-295 bypass around the city.

Steelworkers at the Jacksonville Shipyards went on strike for three weeks this summer, closing down the yards. But, according to one city official, the strike was predictably short. "Just like a vacation," he said. "The unions do it everytime their contracts are up, and then they quietly sign up a few weeks later."

Yet there are warning signals for Jacksonville's economic future: Two consulting companies, commissioned by the city's chamber of commerce, reported this summer that poor airline service and a spiraling electric rate (one of the highest in Florida), may deter economic expansion.

- There was actually a modest increase in the number of airline passengers served out of Jacksonville in the past year, despite route cut-

(Continued on Page 50)



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(Continued from Page 49)

backs by Eastern. These were partially made up by rapidly expanding Air Florida; nevertheless, the report found that both intra- and interstate air service were inadequate and inconveniently scheduled and that there was inadequate direct service to most major cities.

Electric rates in Jacksonville were up some 300% since 1973—about 30% in the last year alone—and the service provided by the Jacksonville Electric Authority was criticized as unreliable, with brownouts becoming increasingly common. The major reason for the high cost of electricity is the fact that the utility company is totally dependent upon expensive imported oil.

Both of these factors, the consultants said, could be troublesome in the future and could affect whether companies decide to relocate to or expand in Jacksonville.

On the positive side, the consultants found that Jacksonville has a good quality of life with excellent climate, schools and medical services. A wide variety of potential industrial sites is available and there are no serious labor problems, the report said.

Kingsport-Bristol, Johnson City, Tenn.

Population	**411,300**
Rank	**92nd**
Personal Income	**$2,215,000,000**
Income '77 vs. '76	**+11.14%**

A Boston mortgage insurance company recently selected Johnson City as one of the nation's top 10 housing markets in percentage of growth. The company pointed out that the city had high industrial development, job potential and quality of life.

The designation didn't exactly startle local officials. "We think we're among the top five," says a Johnson City real estate agent, adding that although the survey cited only Johnson City, he believes the entire SMSA has the same growth potential.

But it's not just potential that Johnson City is showing. Texas Instruments, already one of the larger employers in the area, is building a major new facility south of the city to manufacture electronic motor controls.

Though company officials won't say how many employes will be added to the payroll, local industrial development officials estimate that the present payroll of 800 may well expand to 3,000 when TI moves to the 120-acre site. One estimate runs as high as 7,000 employes.

■ Safeguard Industries, which manufactures pistons for the automotive industry, is building a new facility north of Johnson City, and is to have 125 employes when it opens in 1980. A three-phase expansion over the next three years is designed to increase the payroll to about 800.

Nearby, a spring 1980 opening is planned for a new plant of ADC Magnetics, which makes electronic components for IBM. The company is to have about 300 employes.

And while a Magnavox plant that manufactured cabinets for television sets moved out this fall, the Budd Corp. is taking its place in the vacant facilities, located south of the city, with about 300 employes. Most of the 300 former Magnavox employes have already found work in the area, which has a need for skilled workers.

In downtown Johnson City, the old John Sevier Hotel, which went out of business in 1973, has become the John Sevier Center for senior citizens, a residential project housing 131 elderly people. Another 102-unit senior citizen center project is under way nearby.

■ An $11,000,000 medical school building at East Tennessee State University in Johnson City is looking ahead to construction. It would be a joint project of the university and the Veterans Administration. The university's medical school already has enrolled its second class, which is being housed in temporary quarters.

A longtime downtown problem, the lack of adequate parking, is being alleviated with the construction of a combination parking garage and retail complex, to be known as the Downtown Center. The $2,250,000 project is to include one floor of retail shops, three floors of enclosed parking, and a fifth floor rooftop parking area, with a total of 500 spaces.

The city, meanwhile, has allocated $208,000 as its first-year share of a new municipal bus system. Nine 18-passenger buses and three vehicles for the handicapped, purchased largely with federal funds, will provide the city's first mass-transit system since a private bus company folded several years ago. City officials are counting on the system to give a boost to downtown business.

Kingsport is also showing healthy industrial growth. General Shale Products Corp. completed a $7,000,000 plant expansion, doubling its capacity of 50,000,000 bricks a year, and the ASG Corp., which manufactures glass, is adding 300 employes to its present payroll of 1,800 as a result of a $30,000,000 expansion of its plant, west of the city.

■ Elsewhere, ground has been broken for a regional shopping center on 11 acres in the western section of Kingsport, a facility that is to be anchored by Winn-Dixie. Completion is planned for 1980.

In Bristol, which straddles the Tennessee and Virginia border, a 151-unit low and moderate-income housing project, Leisure Park, has been completed on the Virginia side; a similar project is planned for Bristol, Tenn.

A 250-room Regency Inn Motel has opened along Int. Hwy. 81, south of Bristol, Tenn., and both the area's high schools have begun major expansion projects. Tennessee High is completing a distributive education wing, and Virginia High is finishing an auditorium and gymnasium complex that will include a swimming pool.

Bristol, Va., officials hope to complete long-discussed plans next year for a downtown revitalization project. For years, feasibility studies have looked at the possible construction of a convention center next to an 11-story hotel.

Enterprise Fabricators, which manufactured steel fabrications in a Bristol, Va., plant, laid off a number of employes during the summer of 1979 and then announced that it was going out of business, putting some 300 workers out of jobs. But city officials said they have received few queries about employment, and believe the workers found other jobs with little trouble.

The Bristol-Washington County Industrial Park, located between Bristol and Abingdon, Va., opened in 1979, with several companies already announced as its first tenants.

Miami

Population	**1,451,200**
Rank	**23rd**
Personal Income	**$11,177,000,000**
Income '77 vs. '76	**+10.51%**

If Miami were to adopt a nickname these days, it would have to include the word "international." Long a favorite "fun and sun" destination for some Americans and a retirement home for others, Miami is emerging not only as a holiday haven for European and Latin American tourists but as an important business center as well.

International air traffic at Miami International Airport, for instance, is up 25% over 1978. Domestic travel during the same period climbed 19%.

What's making Miami and South Florida increasingly attractive to international tourist and business concerns is their tremendous buying power and economic advantage in the marketplace, as the U.S. dollar continues to plummet in value.

Simultaneously, the middle classes in oil-rich countries such as Venezuela are finding themselves with more discretionary income to travel, and they like Miami because of the year-round warm weather and of the familiar (to them) Latin cultural atmosphere. More than 500,000 persons of Hispanic background live in Dade County, and the majority speak Spanish.

■ A familiar occurrence is that of a Latin (or European) family landing at the airport with a half-dozen empty suitcases for buying sprees here. By the time the family leaves, a few days or weeks later, the luggage is jammed with new clothes, shoes, jewelry, appliances, tv sets, stereos and dozens of other items.

As a consequence of the influx of Latin tourist consumers, downtown Miami is experiencing an unprecedented surge in retail business, residential and hotel construction. Another new luxury hotel, Marina Park Hotel, following the downtown lead of the successful Omni International Hotel, is scheduled to open in January on Biscayne Blvd.

The $5,400,000, 200-room project is being built inside the shell of the once-luxurious Biscayne Terrace Hotel, which was sold for $1,400,000 earlier in the year.

Plaza Venetia, immediately across from the Omni hotel-mall complex, is now under construction, with 300 apartments planned in its first 25-story building. The second phase is scheduled to include 810 apartments, 120 hotel rooms, and 200,000 sq. ft. of commercial and recreation space.

■ Just south of downtown, in the popular Coconut Grove district, the area's first "European-style boutique center" opened in March. The three-story, air-conditioned Mayfair Boutiques has about 30 tenants, all leading designers such as Valentino, Charles Jourdan and Pierre Balmain.

About 50% of the center's business comes from Latin American and other tourists; the balance of customers are wealthy women from nearby Coral Gables, South Miami and Kendall area.

In April, the first phase of the Miami Free Trade Zone opened just west of Miami International Airport. The 300,000 sq. ft. warehouse facility has about 40 tenants. Another 300,000 sq. ft. building was inaugurated in late October and a third unit is scheduled for construction in early 1980. Within 10 miles of the Free Trade Zone, in western Dade County, two new major shopping centers are planned. Edward J. De Bartolo Corp. will build a 1,250,000 sq. ft. mall at NW 107 Ave. and the East-West Expressway. Rouse Co. and Homart Development Co. will construct a 1,145,000 sq. ft. center at Coral Way and the Florida Turnpike.

■ Across Biscayne Bay, on Miami Beach, the landmark Sak's store closed. Yet, ambitious renovation projects are on the drawing boards and are under way, in an effort to counter the beach's sagging reputation with tangible, obvious improvements.

The South Shore Development, at the southern tip of Miami Beach, the single most ambitious revitalization project, remains hung up in litigation. The plan calls for 4,350 hotel rooms, 3,300 residential units, 470,000 sq. ft. of retail/-entertainment uses and 62,500 sq. ft. of office space, marina and dry boat storage. During 1979, the bottleneck has been a court case over authority of the Miami Beach Redevelopment Agency to issue funding bonds.

Even if the agency wins the bonding case, however, there are no indications when the project will be free from litigation, since it is strongly resisted by "art deco" enthusiasts who are determined to save some of the buildings slated for removal, and area planners who are concerned about relocating the poor and elderly whose moderatly priced homes will disappear.

■ Along Miami Beach, many hotels are attempting to regain the high esteem they once held among vacationers with extensive renovation projects. The Fontainbleu Hilton, for instance, reportedly spent $15,000,000 to spruce up, clean and revitalize the property.

Most beach hotels are also benefiting from the influx of Latin, British and German tourists who seem particularly fond of the area and are booking tour packages from their countries in record numbers.

If you had to choose the apparently most *unwanted* spot in Miami, it would have to be the Orange Bowl. The University of Miami, which has always played its games in the 80,000 seat facility, has a new coach who wants to build a 40,000-seat stadium on the campus. He predicts an on-campus stadium would boost attendance and community support.

Located in the heart of Charleston's financial, real estate and insurance district, St. Michael's Episcopal Church has an air of quiet dignity and solitude.

Although stunned by the mid-summer gas crunch, Miami escaped relatively unscathed, as Florida-bound tourists apparently chose to fly to Miami instead of drive. Domestic air travel increased 19% over last year.

Skyrocketing electric bills, in this air conditioning-dependent city, spurred many homeowners to seek relief with ceiling and floor fans. Most major department stores and scores of specialty shops now carry assorted models, ranging in price from about $60 up. Many residents found their monthly bills cut in half, after installing a few fans and shutting off the air conditioner.

Norfolk-Virginia Beach-Portsmouth, Va.

Population	**800,100**
Rank	**48th**
Personal income	**$4,905,000,000**
Income '77 vs. '76	**+10.4%**

What may be the world's largest weathervane looms over the Norfolk Harbor skyline, a symbol perhaps of continued balmy breezes for the economy of the Norfolk-Virginia Beach-Portsmouth metropolitan area.

The weathervane is actually a 120-ft. tower crane—its boom pivots with the wind—installed in connection with a football field-size drydock called the Titan, one of the country's largest, and an adjacent pier.

The facility, an expansion to the Norfolk Shipping & Drydock Co. built earlier this year, is already overhauling tankers and a fleet of liquid natural gas carriers.

■ Despite seemingly disastrous developments, little seems to faze the SMSA. It appears less likely all the time that Volvo will ever build its proposed $100,000,000 automobile assembly plant in Chesapeake.

A proposed oil refinery in Portsmouth has been given tentative approval by the Secretary of the Army, but still faces opposition from environmental groups as well as from the Interior Department, both of which fear potential oil spills that would endanger the Chesapeake Bay area.

If approved, the $6.6 billion facility would be the largest oil refinery on the East Coast, and the first major refinery built on the East Coast since 1957. Neighboring Newport News lost a $1.6 billion Navy contract to refit four aircraft carriers; and another year has passed without any definite plan for a prime 17.5-acre tract in downtown Norfolk that has been vacant for some 15 years.

Add to the bad news the gasoline crisis of this spring, as well as some bad weather around the same time that cut sharply into the business at tourist-oriented Virginia Beach.

■ But the local attitude to these grim tidings seems to be, so what? The over-all economy has remained steady, and there's plenty of good news to go with the bad. Some examples:

• Virginia Beach tourism actually is projected to be up for the year, thanks to a good early spring-late summer influx that more than made up for the gasoline shortages that kept tourists at their backyard barbecues.

And the city is building a $20,000,000 arts and convention center in an effort to further expand the traditional 100-day Memorial Day to Labor Day tourist season. Several large conclaves already are booked for late next year when the center is to be completed.

Industrial development continues to boom in Virginia Beach. When one industrial park fills up, the city goes to work on another. The 1,000-acre Oceana West Industrial Park drew six new companies in 1979, including a number of large foreign operations such as Moulinex, known as the G.E. of France.

Work is under way on the 1,200,000-sq.-ft. Lynnhaven Mall, also in the industrial park, billed as the largest such new facility in the Tidewater area.

Downtown development continues in Norfolk. Newcomers this year included the Washington, D.C.-based Hechinger's hardware store. Also completed was the rehabilitation of two long-vacant department stores into international trade marts and boutiques.

The first townhouses have been sold in the $110,000,000 Freemason Harbor residential and shopping project, although financing problems have slowed down the 10-year project. Several new phases of Freemason Harbor, including townhouses, condominiums and a parking garage, are expected to get under way late in 1979.

The eight-story federal building in downtown Norfolk was completed and occupied this spring in Norfolk's Grandy Mall area, stimulating additional downtown development, including the refurbishing of several neighboring office buildings.

In Portsmouth, three large buildings are going up in the Crawford Harbor area, dominating the local building picture there. They are a six-story city hall, a five-story private office building and a $12,500,000, 25-story, 200-unit middle and high income apartment building which will be the tallest building in the Tidewater area.

Virginia Products announced plans to build a storm window and storm door manufacturing plant in Portsmouth's redevelopment area, a $6,000,000 venture that will add 500 employes to the local payroll. And construction was to begin late in 1979 on three buildings, providing 300 housing units for the elderly and low and moderate income residents.

Greenbrier Mall, approaching 1,000,000 sq. ft., is under construction in the city of Chesapeake, which is negotiating with the Navy for acquisition of surplus property at its Naval Ammunition Depot for use as a site for light industry.

And in the city of Suffolk, construction is just beginning on a 10-mile Interstate 664 spur that will improve access between the city and the Newport News-Hampton areas, where many Suffolk residents work. The spur, which includes a third James River crossing, is scheduled for mid-1980s completion.

Local controversy in the Norfolk-Virginia Beach-Portsmouth area centered around the proposal by business leaders to consolidate the SMSA with the neighboring Newport News-Hampton SMSA.

The merger would add some 400,000 residents to the SMSA; advocates say this would put the entire area in an advantageous economic position. Critics, largely in the smaller Newport News-Hampton area, argue that they would be swallowed up by such a merger.

- The issue was resolved by the Census Bureau's decision to create a consolidated metropolitan statistic area following the 1980 census, while retaining the identity of each of the SMSAs.

Although Newport News lost the aircraft carrier refitting project, there is a hope that a new nuclear aircraft carrier—authorized by Congress but not yet approved by the President—would be built at the local shipyards.

And although the Newport News-Hampton SMSA has one of the higher unemployment rates in Virginia, local officials hope that the new Interstate 664 spur, as well as a revitalized municipal bus system, will ease massive traffic jams that have hampered downtown growth.

Orlando

Population	**609,900**
Rank	**65th**
Personal income	**$3,875,000,000**
Income '77 vs. '76	**+10.53%**

The word in central Florida is "activity." All over the area, residents are looking at theme park expansion, airport construction, civic center plans, shopping mall construction and industrial construction. The kind of activity that was going on last year is going on now at an accelerated pace.

Under way are Sea World's new Florida Festival, Walt Disney World's mammoth EPCOT (Experimental Prototype Community of Tomorrow), Cypress Gardens expansion, a new theme park (Western World) and the Orlando International Airport. That's not to mention new hotels, malls, warehouses and industrial complexes.

The amounts being spent or budgeted for these projects are mind-boggling—figures like $800,000,000 for EPCOT and $100,000,000 for Sea World. It all totals about $1.5 billion, an amount that will probably go higher.

- All of this is helping the area recover from the lost business syndrome brought on by last summer's energy crisis in June; hotel rooms were empty and theme-park turnstiles weren't clicking. Park attendants took to checking want ads and kept their bags packed.

Faced with $175,000,000 in lost revenue and 6,700 lost jobs, Gov. Bob Graham approved a national advertising campaign to assure vacationers that gas problems don't exist in Florida. The campaign, a toll-free gasoline information hotline and the governor's guarantee that gas was available helped turn the tide.

Orlando's tourist attractions make this a profitable stopping point for airlines. Until recently, Eastern, National and Southern have had a lion's share, but seven others, including United, TWA and American, used their new route flexibility to move into Orlando this year. Passenger traffic in June was running 26.5% ahead of June 1978.

Orlando's long-awaited, long-debated convention center is on the drawing boards, with conventions booked clear into 1988. The center is scheduled for a 1982 opening, with a Shriners convention. Another big one is scheduled for 1984, when the American Farm Bureau Federation comes here.

- Orlando Central, a wholly-owned subsidiary of Martin-Marietta, anticipating a deficit of at least 22,000 hotel and motel rooms by 1985, recently briefed local business leaders on its plan for Plaza/-International, a hotel/motel/-shopping center concept with 8,000 hotel rooms at Orlando Central Park, immediately adjacent to the convention center.

Orlando's sports scene is a mixed bag. Arnold Palmer's Bay Hill Club was the scene of the Bay Hill Citrus

(Continued on Page 52)

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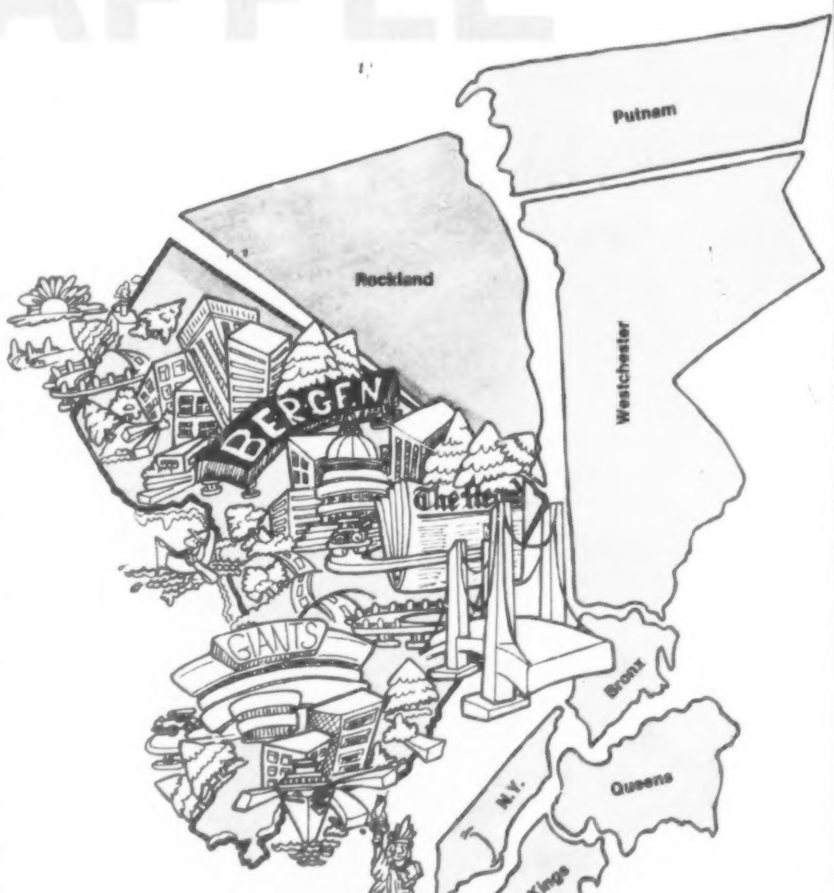

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New Jersey's Largest Evening Newspaper
The Record

Source: ©S&MM 1979 Survey of Buying Power
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100 MARKETS

(Continued from Page 51)

Open this spring. The name will be the Bay Hill Classic in 1980, because the Florida Department of Citrus withdrew sponsorship rather than put up another $175,000. Mr. Palmer has signed other sponsors, and the event is expected to be played with a $300,000 purse next year.

The Orlando City Council is still wrangling over the swaying east upper deck of the ancient Tangerine Bowl (plus its overflowing sewers, girders obstructing seats and other design faults). The bowl pits Mid-Atlantic Conference and Southeast Conference college football teams each December. "Improvements" were made five years ago, but the structural problems found today have turned up, nevertheless.

The question before the council is whether or not to fix the stadium. Already the council has received $900,000 from a settlement of a lawsuit over construction defects.

■ Other cultural news is upbeat. Top-flight entertainment has been scheduled into Bob Carr Auditorium, home of the Florida Symphony Orchestra, since it reopened last year.

The World Trade Council of Central Florida, meanwhile, has been entertaining international business meetings this year. Much of the interest is in EPCOT, which will be an international showcase, half of it devoted to displaying goods and cultures of other countries.

While the theme parks are keeping busy, other aspects of the economy are also apparently doing well. The orange crop forecast is 200,000,000 boxes (agribusiness is the state's major business), employment is high and new companies are injecting steady cash-flow into a healthy economy.

But you can't win 'em all.

Waterslide World is on the blocks. Opened in late 1977, it never caught on despite a visual location off Int. Hwy. 4. It just never seemed to get off the ground.

But a new attraction debuted this year and is doing well, from all reports. Wings & Wheels, a commercial aviation museum, is located at Orlando's International Airport.

Raleigh-Durham, N.C.

Population	493,600
Rank	77th
Personal income	$3,337,000,000
Income '77 vs. '76	11.01%

The massive $4.2 billion nuclear power plant that the Carolina Power & Light Co. is building on an 11,000-acre site south of Raleigh—a project that dwarfs other construction in the three-county SMSA—is creating a labor problem.

"It's so big," says a newspaper business editor in Raleigh, "that other construction projects around here are having trouble finding help. But that's the kind of labor problem that economists like."

A full work force of almost 3,500 is working around the clock to put the first of four 900-megawatt reactors into operation in 1984. Full operation is planned for 1990; over the life of the project, workers are expected to receive some $600,000,000 in wages. It is to be one of the largest nuclear facilities in the nation.

■ Generally, the Raleigh-Durham area is having an easy time of it, insulated from cyclical problems by large government and educational complexes and lacking the industry that suffers with economic downturns.

"There have been a few weak points in retail sales and employment," says the business editor. "And some companies may not be hiring as much as they would normally. The economy may be softening just a little, but nobody's talking about a slump."

Not hardly. In Raleigh, Radisson Hotel Corp. is planning a 350-room hotel, giving the go-ahead on the project after the city announced plans to build a downtown parking deck and after Wake County voters in January approved the sale of liquor by the drink. Other small new hotels or additions are expected to increase hotel capacity in Raleigh by more than 1,000 rooms by the end of 1980.

Construction is well under way on the Falls of the Neuse Reservoir and Dam in northern Wake County, a $100,000,000 project that is to provide water and recreation areas for the area by 1982. And the state is extending Int. Hwy. 40 around the southern part of Raleigh to complete the 31-mile Raleigh Beltline by early 1982.

■ Two major airlines, Altair and Allegheny, began service at Raleigh-Durham Airport in 1979, and other airlines already serving the area increased their number of flights. A new terminal and expansion of the runway system is being designed to accommodate future growth.

Under construction in Raleigh is a $6,000,000 building for the North Carolina Museum of Art, a $32,000,000 veterinary school at North Carolina State University is expected to begin soon, as will a $2,800,000 athletic facility.

The Plaza of North Ridge, a $60,000,000 office and residential project, is to open eight office buildings with 500,000 sq. ft. of floor space in late 1981. Other phases are still in the planning stage.

Among major industrial growth in Wake County is the announcement by Hewlett-Packard Co., the California-based electronics company, that it will build a research, manufacturing and marketing facility on 230 acres in northern Wake County. The first building is to be completed by late 1981 and is expected to have 700 employes; additional facilities on the site are expected to house 10,000 employes by the year 2000.

■ Siemens-Allis is expected to employ 300 persons in late 1980 at a plant it is building on U.S. Hwy. 64 for the manufacture of switchgears and other electrical equipment for industry. At full production, it is expected to have 700 employes.

And Northern Telecom has moved the headquarters of its digital switching division to Raleigh. This and other expansion projects by the company may increase its area work force to 2,400 by 1983, making it one of the largest local industrial employers.

In Durham County, an early 1980 completion is expected for Duke Hospital North, a 606-bed, $93,000,000 facility. It is being connected to the existing Duke University Medical Center by a unique quarter-mile horizontal elevator that runs on a thin layer of air.

Much of the county's business growth is under way in the highly successful Research Triangle Park, the 20-year-old facility that has just filled half of its 5,600 acres. Officials there say 1979 was one of their best years; seven new projects are under construction or ready to start, adding 2,200,000 sq. ft. of space and 2,500 jobs.

■ Also in the park, Union Carbide Corp.'s agricultural products division is investing $20,000,000 for a pesticide research facility that is to have 800 employes when completed in 1981. And Mead Technology Laboratories of Ohio is locating its environmental division in the park, employing 100 persons in a leased facility to be completed in 1980.

Neighboring Orange County, home of the University of North Carolina at Chapel Hill, is growing even faster than Raleigh or Durham.

The university is constructing a new women's gymnasium and plans a new basketball arena in the near future. North Carolina Memorial Hospital, located on the campus but not affiliated with the university, is undertaking a multi-million-dollar expansion of its outpatient facilities.

Business is good in Chapel Hill, according to a chamber of commerce official. "Anybody that can go through the red tape necessary to open a shop can make it," he says. "Open your doors and you will make a go of it."

Richmond, Va.

Population	611,700
Rank	64th
Personal income	$4,675,000,000
Income '77 vs. '76	10.35%

A flourishing public sector—state government and medical facilities—continues to give Richmond one of the strongest economies in the state of Virginia.

The low unemployment rate, in the 3.5% range, stems partly from the fact that the state employs 20% of the Richmond labor force.

Hospital and medical school construction in the area topped $283,000,000 in 1979. City officials report $260,000,000 in new and expanded industrial investment in the first six months alone.

The city escaped the gasoline lines that haunted much of the East during the early summer.

It also attracted a minor league hockey team, the Richmond Rifles, and refurbished the historic Lowe's Theatre as the first permanent home of the Richmond Symphony. The Hartford Ballet company made two extended appearances for the second year in a row.

■ In downtown Richmond, steelwork has been completed on a 28-story state office tower, a $48,500,000 building that is scheduled for completion late in 1980. State officials have delayed, however, a decision to build a twin tower on a common base, while reassessing the need for a second building.

The State Department of Motor Vehicles moved into its massive seven-story, $13,500,000 building early in the year, and a 24-story Federal Reserve Bank office tower, completed in 1978, is now fully occupied by federal offices and private firms.

United Virginia Bank announced its intention to build a new office tower in Richmond, but has not yet selected a site.

In other downtown activity, the old Main St. Railroad Station, vacant for years, is undergoing a $10,000,000 refurbishing that will include restaurants, commercial and office space. And the city is hoping for federal funds to restore the old Jefferson Hotel, a landmark whose staircase was the model for that used in "Gone With the Wind."

■ Old Victorian townhouses and rowhouses in such neighborhoods as Ginter Park, Jackson Ward, the Fan District, Church Hill and Shockoe Valley are being restored by the thousands, as these once-elegant neighborhoods make a comeback.

Byrd International Airport, located in neighboring Henrico County, added two taxiways and parking facilities during 1979, and a major expansion of the terminal shared by four airlines is scheduled for the early 1980s.

Industrial expansion has been primarily in the suburbs. Among the major projects:

- Virginia Gravure, which prints magazine and newspaper inserts, is building a printing plant in northern Henrico County. The 134,000-sq.-ft. building will employ some 300 workers when it opens in early 1980.
- DuPont's Spruance Fibres plant, which manufactures a material used in belted automobile tires, is expanding its Chesterfield County facility, originally built in the 1920s. Some 300 new workers will be added.
- Reynolds Metals will relocate its can division headquarters and experimental laboratories in the Chesterfield County Airpark area.
- Lawyers Title Insurance Corp. intends to build a $6,000,000 office building at Brookfield Office Park in Henrico County.

Major hospital construction includes Virginia Commonwealth University's Medical College of Virginia, a $43,000,000 facility in downtown Richmond; a new Veterans Administration hospital in the city, which will provide 694 beds at a cost of $116,000,000; the just-completed 60-bed Richmond Eye Hospital, and Stuart Circle Hospital, also downtown, which will provide 153 beds.

In Chesterfield County, the 292-bed Johnston-Willis Hospital is under construction.

■ Legal problems continue to delay one ambitious city-backed building plan, known as Project One. The $12,000,000 first phase would include a convention-exhibition center, a 400-room hotel, an office tower and retail shops.

Landowners who would be displaced have lost their case in several courts, but continue to appeal. The city awaits final disposition of the case before issuing bonds for the project.

One discordant note reverberates from the continuing battle over the interstate beltway that would ring Richmond. The northeastern segment of the project is nearing completion, but the city remains opposed to the construction of the remainder, as well as to the proposed relocation of I-95 to the east of the city. Mayor Henry L. Marsh III argues that the beltway would hurt the inner city.

"New highways generate their own use and economic growth around interchanges," says a city planner. "The building of the road would draw business from the city and would be an economic hardship on us."

The question ultimately will be decided by the U.S. Department of Transportation.

Tampa-St. Petersburg

Population	1,396,300
Rank	25th
Personal income	$8,843,000,000
Income '77 vs. '76	10.58%

Weather and tourism are top subjects of concern in the Tampa-St. Petersburg area, and both caused difficulty in 1979.

Located midway down the west coast of Florida, this area is often termed the Suncoast simply because it enjoys more days of sunshine a year than any other Florida area.

In May, however, a storm poured down 17 ins. of rain in less than 24 hours, and caused such damage that President Jimmy Carter designated it a disaster area.

At about the same time, the impact of the gasoline crisis was beginning to cut into tourism. Aggravated by a truckers strike, which created further uncertainties about supply, tourism was off about 12% during the April to June period.

Fortunately for local businessmen, however, Tampa-St. Petersburg long ago diversified so tourism lost its dominant place as the mainstay of the economy.

■ Tampa today is the industrial hub of the Florida west coast and is seeing an increasing number of light manufacturing, electronics, precision instruments and communication equipment companies relocate to its shores.

It goes without saying that such industries represent the "nonpolluting types"—those that will not destroy the air that tourists search out.

Examples of increased business activity include Stromberg-Carlson's plans to relocate its corporate headquarters to Tampa; the Shriners of North America following a like pattern; joined by Metropolitan Life Insurance Co. regional offices, Colonial Penn Group and the McNichols Co. Others such as General Telephone & Telegraph Co. and Tampa Electric Co., plan to expand existing facilities.

To satisfy the demand for office space created by the influx of new companies and existing expansions, more than 1,900,000 sq. ft. of office space are currently under construction or on the drawing boards. Added to 4,800,000 sq. ft. of office space already occupied today, this will bring the total to 6,700,000 sq. ft.

■ Across Tampa Bay lies Pinellas County—a county incorporating St. Petersburg, Clearwater and Largo—with miles of white sandy beaches and resort hotels and motels. In the early 1950s, Pinellas County had not one manufacturing company with as many as 150 employes. Today, despite stringent control to keep out industries that raise prospects of pollution, there are over 700 industrial companies in the county, including several employing over 1,000 people.

Just north of St. Petersburg in Pinellas County, construction is well advanced on three new units for a big veterans hospital at Bay Pines. The units, scheduled for completion during the second half of 1980, include $13,800,000 for a 520-bed hospital, $4,300,000 for a 120-bed nursing home and $6,800,000 for a 200-bed domiciliary unit.

Residential housing, which had been moving along 13% above 1978, took a sharp dip in Pinellas County just after midyear. But "Construction Cost Index," the well regarded forecast publication of Mills & Jones Construction Co., remains optimistic about the chances that continued commercial work will keep the construction industry at a high level.

■ Part of the optimism rests on the work that got underway in Tampa in April, when ground was broken for the "Quad Block" project, considered the most important development in the history of downtown Tampa.

Included will be a 37-story office tower, a 500-room hotel, a two-level retail and plaza area and a 30,000 sq. ft. conference and banquet facility.

The Marriott Corp. announced plans to build a 375-room, 12-story hotel near Tampa International Airport, and Anheuser-Busch plans a joint venture development of a 400-room, $20,000,000 luxury hotel at its Busch Gardens park in Tampa, to be managed by the Sheraton Corp.

Among tourist attractions, Tampa's Busch Gardens is second only to Disney World as Florida's top tourist spot. The park has announced an $18,300,000 expansion program, highlighting an African Timbuktu section, the Crazy Camel and the Scorpion thrill rides and a new dolphin show.

For sporting enthusiasts, organized sports are well represented on the Suncoast, and the local boosters hope that the new hotel construction currently under way will improve the area's chances of snagging the pro football Super Bowl in the early 1980s.

Despite record losing streaks during its early years, the Tampa Bay Buccaneers team of the National Football League has packed Tampa stadium with the third highest paid admissions in the NFL attendance record books.

The popular Tampa Bay Rowdies, which play both an outdoor and indoor soccer season, use Tampa Stadium for their outdoor season in the summer when the Bucs are idle. This year, the Rowdies went all the way in the outdoor season to the soccer super bowl, only to lose to Vancouver.

Hope persists that Tampa-St. Petersburg, which boasts spring training camps for three major league baseball teams, will break through with a major league franchise of its own.

- As a major tourist area, Tampa-St. Petersburg already features a wide variety of good restaurants. New on the eating scene this year is Crawdaddy's, a 1920s style wharf-shanty on the shores of Tampa Bay; the Embassy, with Kansas City beef in a Mediterranean setting; the Sea Wolf, near Busch Gardens and family priced; The Levee, described as downtown with Dixieland and all the fixins', and the Chinese Pavilion.

The tourism crunch might have been worse except for the huge Tampa-St. Petersburg airport, often termed one of the finest in the nation, with monorails moving passengers virtually to planeside. For 12 months ending August 31, passenger traffic was up 12%, as visitors switched from highway to sky.

American, USAir (formerly Allegheny), Republic, Ozark, Piedmont and Southeast, utilizing their new route freedom under airline deregulation, joined the lines serving the airport, bringing the total to 10 domestic carriers and eight international airlines.

The airport itself continues to have ample resources for the added service, "but we are drowning in automobiles," one of the airport executives said.

A three-stage construction project dealing with traffic problems has begun moving from the design stage, with a $4,000,000 satellite parking lot for 3,500 cars slated for 1980; a new $4,500,000 highway interchange in 1981, and a $2,500,000 expansion of existing rooftop parking garages visualized in another two to three years.

Washington, D.C.

Population	3,016,800
Rank	8th
Personal income	$28,277,000,000
Income '77 vs. '76	+9.21%

It would almost seem as though some sort of domestic Marshall Plan were under way in the nation's capital.

Huge chunks of district real estate are in varying stages of construction. Pennsylvania Ave., between the Capitol and the White House, is in the first phase of a half-billion-dollar renovation that will provide hotels, commercial and office space, private housing and a facelift of part of the avenue itself.

Elsewhere in the area, 10,000,000 sq. ft. of additional office space—involving more than 40 projects—is under construction or committed for completion through the end of 1982. A big percentage of that space has been preleased; occupancy of existing office buildings is 99.4%, the highest in the nation.

Construction is expected to begin in 1980 on a $99,000,000 convention center on H St., NW, between 9th and 10th, a decaying neighborhood that is expected to get a shot in the arm from the influx of trade. At nearby Thomas Circle, for instance, developers already plan three commercial buildings.

- The Georgetown Waterfront, a $50,000,000 residential, commercial, and office complex, is planned to start construction within a year, and just back from the waterfront work is well under way on a $40,000,000 townhouse commercial complex being built on the same block as the plush Rive Gauche Restaurant. Georgetown also sports a swanky new hotel, the Four Seasons.

And of course there's Metro, a continuing success story that has done more to transform Washington in the past few years than any other factor. Metro began Sunday service in September, on the day of the Redskins' first home game, and in December opened a 3.9 mile segment of the Orange line in Arlington, Va.

The subway, which now totals more than 30 miles, continues to breed commercial growth. A recent study prepared by the Federal City Council said that Metro already has helped foster more than $970,000,000 worth of private development near subway stations, and another $5 billion is expected if the full 101-mile subway is completed.

A 3.5 mile segment of the Blue line is scheduled to open in late 1980, extending east of the district into Prince Georges County, Md.

- Metro's bus division bought 115 sleek new General Motors buses at more than $100,000 each, and 43 articulated buses, 98-passenger vehicles that bend in the middle. Together, bus and rail service are now carrying more passengers than at any time since 1967.

Fifteen years ago, Washington was a sleepy, roll-up-the-sidewalks-at-sunset town, almost totally dependent upon the federal government, with a big crime problem, little growth, and an almost nonexistent cultural establishment.

Today, it is bursting with growth. It is an important business center, abounds in cultural facilities, and has curbed its crime rate. Come midnight, you can find roller skaters on the sidewalks in front of glass-paneled office buildings. The district has replaced New York as the No. 1 site of national headquarters of associations.

"I think Washington has passed the takeoff point—maybe you'd call it the point of critical mass—in its growth," says the vice-president of a real estate brokerage company. "There's just going to be a tremendous increase in the demand for offices, retail space, homes—just about everything. All indications are that Washington will continue to grow and thrive."

- That's not to say that no problems exist. There are a few.

Leonard Kolodny, manager of the retail bureau of the Metropolitan Washington Board of Trade, says that the rapid expansion of the area's economy has resulted in the area becoming "overstored"—that is, retail establishments are moving in faster than the community can support them.

Mr. Kolodny says he has no figures on commercial bankruptcies, but adds, "Go into any shopping mall and you'll see new stores you've never heard of. Go in there 4 or 5 months later, and a lot of them will be gone."

Even when national or regional

(Continued on Page 54)

The Bulletin circulates 257,261 more newspapers in the 14-County City & Retail Trading Zones than The Inquirer Monday through Sunday

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NEW JERSEY
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Putting your money where your market is.

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(Continued from Page 53)

chain stores move here, Mr. Kolodny says, in most cases they face initial financial problems, but they have the capacity to wait out these first lean months:

Retail sales in the SMSA, are flat, running about at the same level as last year, without adjustment for inflation.

Another sore spot is the high cost of housing. Mayor Marion Barry was publicly indignant that he and his wife couldn't find adequate housing in the district for less than $100,000, a price that has become something of an average in the District and the close-in suburbs. The housing market remains strong despite the high costs, but some business leaders worry that spiraling home prices will dampen that market.

■ And finally, there's the recent interest rate hike, which the *Washington Post* editorialized would have a chilling effect on both commercial and residential development, and a resulting effect on employment.

This will be more strongly felt in the suburbs than in the district itself, but the full effect won't hit for several years—when projects now being built with long-term, lower-interest financing have been completed.

While the spring gas crisis cut deeply into Washington's tourism industry, out-of-state license plates abounded later in the summer and into the fall, and business leaders say the over-all figures were down only a little from 1978.

Little serenity remains on Pennsylvania Ave. between 3rd St. and 15th St., N.W., as the Pennsylvania Ave. Development Corp. undertakes 19 separate projects, ranging from renovation of the old Willard Hotel, where President Lincoln stayed on the eve of his first inauguration, to the preservation of the five 19th Century building facades at Gallery Row at 7th St., N.W.

■ Pennsylvania Ave. itself will be completely relandscaped, with special lighting at selected areas. Sidewalks will be widened and landscaped with a canopy of oak trees, and street furniture will be added. Larger open spaces will be provided at three locations—Western Plaza, Market Square and John Marshall Place, corresponding to the original L'Enfant plan for the city.

As the center city of Washington undergoes major renovations, development has spread outward. Ground was broken in the fall for a $13,300,000 shopping facility, Hechinger Mall, that ultimately will offer shoppers in northeastern Washington some 40 stores.

Developers promised that the mall, located at Benning and Bladensburg Roads and Maryland Ave., N.E., will stimulate the rehabilitation of this entire troubled area.

Giant Food opened a major new store in the Shaw area of northwestern Washington, a significant move into an area that has largely been devoid of supermarkets since the 1963 riots. City officials hope that here, too, the development will have a ripple effect.

■ Metro is also having the effect of expanding the central downtown area, through the Washington Circle area on the west, almost into Georgetown, beyond Dupont Circle to the north, and into the northern Virginia office areas of Rosslyn and Crystal City.

Further out in the suburbs, regional malls and shopping centers continue to expand, although not in all cases, according to the Board of Trade's Mr. Kolodny. A new mall opened in Laurel, the Columbia Mall expanded to include a Sears store and the developers of Tyson's Corner shopping center ready plans for a major expansion of their already huge facility.

In the district, business continues to be spotty at Mazza Gallerie, a mall on upper Wisconsin Ave. that contains a Neiman-Marcus store. But completion of a Metro line in this area in the next few years is expected to improve business.

West Palm Beach-Boca Raton

Population	486,700
Rank	78th
Personal income	$3,757,000,000
Income '77 vs. '76	+12.49%

In the past year, the Palm Beach-Boca Raton area has experienced a building boom (single family residences, hotels and shopping centers), a 20% increase in retail sales and a continuing drop in unemployment.

The rate of expansion, which made Palm Beach County the fastest growing county in the nation last year, is beginning to level off, but that is to be expected, according to local observers.

After the 1975 recession, in which county building permits dropped to $69,000,000 in that year's second quarter, Palm Beach went on a building binge during which permits jumped to $146,000,000 in the second quarter of 1977 and $257,000,000 last year. This year's second-quarter jump was a relatively light $21,000,000.

Several major projects are under way, including an expansion of Palm Beach Mall that will make it one of the largest south of Atlanta, the $60,000,000 community of Leasureville in Palm Beach, a $17,500,000 Hyatt Hotel and a $12,000,000 county courthouse expansion. In addition, the $7,000,000 West Palm Beach city hall now is open for business. The first residents are expected to move into the 2,300-acre Professional Golfers Assn. of America project next year.

■ Boca Raton continues its steady growth westward. The city's population has jumped from 57,000 to 72,000 in the past two years. "The last couple of years have been phenomenal for us," said C of C representative, Pat Wilson. "It's no longer true that this is a retirement area. We're now drawing a lot of young executives and middle management people who work in Miami and West Palm Beach."

Businesses are beginning to discover Palm Beach County, too. Among the new companies that moved in this year were Siemens Corp. (electronics), Sikorsky Aircraft, Motorola and STP, which brought along its world headquarters. Pratt & Whitney is in the middle of a $19,000,000 expansion which will add 2,000 workers to its payroll.

The energy crunch has brought an unexpected twist for local population growth. The expected shortage of heating oil may be scaring people south. "Our inquiries are double over last year from people seeking information on accommodations for the winter," said Charles Hays of the Greater West Palm Beach Chamber of Commerce.

Meanwhile, several long awaited projects remain on the drawing board. There has been discussion for some time of trying to push through a $150,000,000 road bond issue but, with county commission elections coming up next year, no action has been taken. Because of land price inflation, the county is having a rough time buying the property for a beach project that was approved with a $50,000,000 bond issue two years ago.

On the other hand, West Palm Beach has donated land needed to build an $11,000,000 theater for the performing arts and Boca's historical society continues its renovation of an old home for a new museum.

Meanwhile, Wellington, a posh development centered around golf and tennis, opened its huge polo grounds this year and promptly held a $150,000 Michelob World Cup match that could become a yearly event.

Wilmington

Population	515,500
Rank	75th
Personal income	$4,087,000,000
Income '77 vs. '76	+8.93%

Wilmington, which suffers from an unemployment rate higher than the national average, has plucked out the major economic thorn that threatened to drive at least one of its major job sources out of Delaware.

Responding to howls of displeasure and talk of pulling up stakes by its largest corporate tenants, the Delaware state assembly cut its 19.8% state income tax to 13.5%.

In addition to mollifying Irving Shapiro, chairman of DuPont, and, as such, the state's most important business figure, the tax cut insures the continued alliance between Delaware and Hercules Inc.

But while Hercules, which employs some 3,000 chemical workers at its Wilmington headquarters, now plans to stay in Delaware, it may leave the city proper. Tentative plans to construct a new corporate headquarters outside the city limits could deprive Wilmington of a significant municipal taxpayer.

■ Other mainstays of Wilmington's economic life seem relatively well pleased, however. Though the city's unemployment remains roughly two percentage points above the national level, the overall jobless rate dropped from 12.7% in August, 1978, to 10.4% in August, 1979.

DuPont—the mainstay of the area and the state—continues to provide work for more than 22,000 employes. ICI Americas, a subsidiary of Imperial Chemical Industry of London, employs almost 3,000.

Besides its strong showing in the chemical industry, Wilmington also hosts several large automobile manufacturing plants, one of which, Chrysler, sent city and state officials scurrying to Detroit when clouds began to appear on the company's horizon.

Chrysler's well-publicized problems led to several stop-gap measures should continued losses lead to production cutbacks. The automobile maker maintains a plant in Newark, just outside Wilmington, which employs 4,800 people in making Chrysler LeBarons and Dodge Diplomats.

Special tax incentives are under consideration by governor Pierre S. duPont IV, but the Newark plant is considered one of the less vulnerable Chrysler facilities.

General Motors' Wilmington assembly plant concentrates on the Chevrolet Chevette, employing 4,900 people in the process.

The city is also hosting a new employer, Delpro Co., whose $10,000,000 train repair facility will offer 350 new jobs to Wilmingtonians.

The major source of growth within Wilmington in the past year has been new construction, most notably an 11-story office building on the site of Wilmington's old Odd Fellows building.

The 200,000 sq. ft. structure will not completely alleviate Wilmington's crying need for office space, however, and another 200,000 sq. ft. space has been proposed.

Wilmington also hopes to leap into the convention trade with the opening of the $9,000,000, 220-bed Hotel Radisson last spring. Though Wilmington already boasted the venerable Hotel DuPont, the Radisson can provide the ballroom and other convention requirements the DuPont lacks, and, as evidence, it recently signed its first convention for 1981.

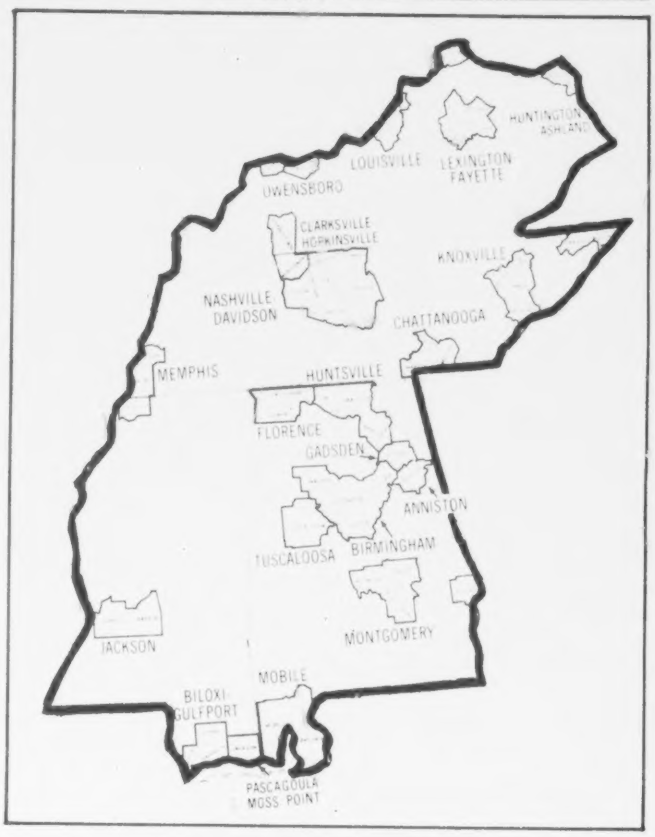
Along with the Radisson's attempt to woo large groups, the state is coordinating local tourist attractions in its first concerted promotion. The area boasts several lovely museums, mostly funded by and dedicated to the immense wealth of the DuPont family.

■ The Winterthur Museum, housing one of the country's premier collections of American furniture and crafts; the Eleutherian Mills, where the DuPont family sowed the seeds of its fortune in the gunpowder plants along the Brandywine River, and Longwood Gardens, just over the border in Pennsylvania, are three of the most notable tourist lures.

Future construction in Wilmington will be partly financed by a recent industrial revenue bond, which should bring $30,000,000 to $40,000,000 toward a family court and new complex of doctors' offices next year.

The city's largest medical facility, the 800-bed Wilmington Medical Center, is still fighting federal court battles, however, as it attempts to relocate at a site outside the downtown area. Wilmington residents have argued for expansion of the medical center at its current location.

In retailing, the completion of a large mall eight miles south of Wilmington gives the area a vehicle to attract customers from nearby states with enough gas to get there. Despite Delaware's high personal income tax, the state has no sales tax. The $20,000,000 Christiana mall is fully operational, with the exception of a J. C. Penney's, due shortly.



East South Central

Birmingham

Population	818,200
Rank	46th
Personal income	$5,486,000,000
Income '77 vs. '76	+10.81%

Fifteen years ago, Birmingham was a tense, racially divided place, the scene of church bombings, protest marches broken up by the hard-line tactics of Sheriff Bull Connors and the most impassioned of rhetoric by both Martin Luther King and George Wallace.

Now Birmingham has elected a black man to serve as mayor for the first time in its history.

After a no-holds-barred campaign, councilman Richard Arrington Jr. defeated political newcomer Frank Parsons, a lawyer and travel agency owner.

Earlier, incumbent Mayor Donald Vann, whose support eroded after a summer in which a white policeman accidentally shot a young black girl who was a bystander at a robbery, was defeated in the primary. Although Mr. Vann disciplined the officer, he refused to fire him, a decision believed to have alienated Birmingham's black community, opening the door for Mr. Arrington.

■ The business community was as surprised as everyone else with the primary election results, but today, according to several sources, no one is very alarmed at having a black mayor.

"Mr. Arrington has a good record on the city council and will probably pick up some funding support from some business leaders," said one observer.

A major reason for the calmness of Birmingham's business leaders has to be the area's continued strong economic growth. "What recession?" is the way one company head put it.

Indeed, in the face of a year of national jitters and dire predictions of gloom, Birmingham and the surrounding area have forged steadily ahead, continuing the diversification of the economic base.

■ The University of Alabama at Birmingham is now the city's largest single employer and is closing in on U.S. Steel for that honor in the metropolitan market. New office buildings are sprouting like kudzu all over the area, reflecting Birmingham's growing role as a regional white-collar center.

On the negative side, however, looms some uncertainty about the economy's effect on Birmingham's backbone industries—coal and steel. U.S. Steel's Fairfield plant late this year announced layoffs of some 400 workers, and observers believe that the number will eventually climb to 1,500.

Other rumors have the operation's large plate mill on the verge of being closed down. Insiders report that the company is concerned with labor productivity and is worried about continued downturns in the national economy.

Just a few years ago, such talk would have been enough to send the entire city of Birmingham into a panic. But today the coal and steel operations, while important, are not the only game in town.

The year saw no fewer than 11 new office space facilities either begin construction or begin planning for the future. These buildings—spread throughout the SMSA—will add more than 3,000,000 sq. ft. to Birmingham's office space inventory, representing a total investment of $119,000,000.

▪ Downtown Birmingham will receive several additions to its skyline in this office blitz. Park Place Towers, a new 15-story building, will be constructed at 19th and 6th Aves. The Iron & Steel Credit Union Bldg. will also be in downtown Birmingham, as will the 11-story Birmingham Plaza Office Tower.

Inverness Center, a $50,000,000 office complex on U.S. Hwy. 280, has announced plans for adding 1,300,000 sq. ft. on a 172-acre tract over the next 10 years.

The University of Alabama at Birmingham is nearing completion of its multiyear, $64,000,000 expansion project. To keep pace with the university's modern medical facilities, most of the area's hospitals and medical centers have begun expansions and additions of their own.

Birmingham's pride and joy, the Birmingham-Jefferson County Civic Center, expanded again this year—this time with a $4,000,000 addition to the exhibition hall.

The city, however, lost its only major league sports team when the Birmingham Bulls of the now defunct World Hockey Assn. parceled out its players to National Hockey League teams. There will still be hockey in Birmingham, though, as the Bulls are now the main farm team of the Atlanta Flames.

Retailers, meanwhile, face a dilemma. Gloomy reports from the north tell them to pull in their horns and dig in for a long battle. Yet sales continue to set records across the board and there are no signs of a slowdown. Loehmann's Village, a $9,000,000 open-air shopping mall of 200,000 sq. ft., opened its doors in October.

Chattanooga

Population	**400,900**
Rank	**96th**
Personal income	**$2,526,000,000**
Income '77 vs. '76	**+9.83%**

A year ago, rumors concerning plans of the Tennessee Valley Authority (TVA) to build a huge office complex and consolidate its thousands of employes into one central location were causing skittishness in the downtown Chattanooga office space market.

This summer, TVA announced plans for its new downtown office complex and, while the consolidation will mean the loss ot TVA leases in many buildings downtown over the next five years, the prospect has generated a lot of optimism. Chattanooga's business leaders took one look at the scale of TVA's plans and realized that the huge complex—to cover 13 acres between Market St. and Carter St.—will mean yet another shot in the arm for downtown Chattanooga's business.

▪ In fact, the revitalization of the city's downtown business district has been under way for almost a decade. Old office facilities have been renovated, new towers have been built and downtown retail stores have undergone facelifts. The result is an active and exciting downtown climate.

The new TVA facility will be the feather in Chattanooga's cap, and already is inspiring plans for additional development. Downtown developer T. A. Lupton has formed a joint venture partnership with the L&N Railroad and has announced plans to build a 400-room hotel, a connecting office building and a parking garage adjacent to the TVA complex.

There also are general plans afoot to build an industrial trade center and a 2,000-space parking garage in the southeast section of the central business district.

All of this adds up to a total investment of more than $200,000,000 in just one 10-block section of Chattanooga in the next few years.

▪ The TVA facility became a reality this year soon after the City of Chattanooga was awarded a $10,000,000 UDAC grant from the Department of Housing and Urban Development. The complex will house both the TVA's computer center and its office of power—with a total of some 3,000 employes. The complex will cover more than 1,000,000 sq. ft. and cost about $130,000,000.

Construction is expected to begin on the computer center soon after the first of the year and a final completion date is forecast for the early 1980s. When finished, the complex will represent the city's largest urban development ever.

In continuing TVA board chairman David Freeman's efforts to make his agency a national model for energy efficiency, the buildings in the complex will employ passive solar heating and cooling systems that will save some 30% on energy costs.

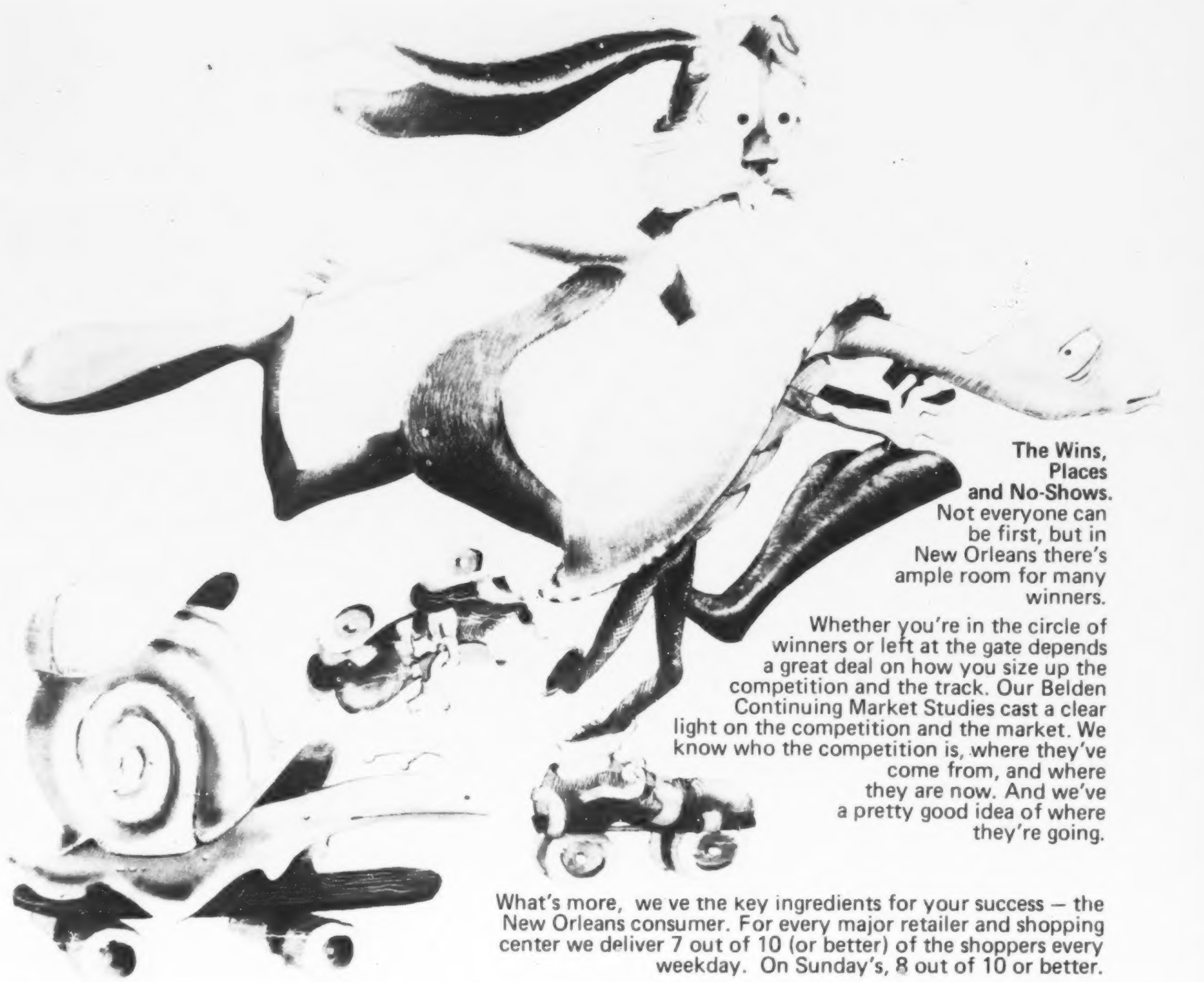
▪ TVA's announcement was not the only downtown activity in 1979. The Civic Forum, a $1,600,000 building housing the chamber of commerce, the visitors and convention bureau and other civic organizations, was dedicated in midsummer. The developer Franklin Haney announced a multi-million-dollar expansion and addition building program for the IBM office building downtown.

Chattanooga's Large industrial base performed strongly in 1979. The Jorgenson Co., a large national steel distribution company, announced plans to build a $7,000,000 plant here.

Selox Inc. opened a new plant, Tuftco added a multi-million-dollar expansion to its operation; Penn-Dixie's concrete division will build a $1,000,000 distribution plant; Synair Corp. will add a new plant, and Vulcan Iron Works continued construction on its $3,000,000 expansion.

▪ The gasoline shortages of last spring and summer took their toll on Chattanooga's important tourist

(Continued on Page 58)



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100 MARKETS

(Continued from Page 55)

industry. Mayor Pat Rose estimates that tourism dropped off by some 40% in the early summer months as the gas supply dropped 15% over-all in the area.

However, the Chattanooga Choo-Choo facility reported continued patronage from both tourists and local residents alike.

Statewide Enterprises, developers of the Lakeshore residential development on the shores of Lake Chicamauga, announced two new expansion phases that will add some 31 condominium units. Also outside the city, a six-story, 110,000-sq.-ft. office building was added to Eastgate Center, a 13-building office complex.

Though Chattanooga continues to be a hard-working industrial center, it still shows some respect for saving treasures of the present and past. The city government wanted to construct a new bridge over the Tennessee River, replacing the Walnut St. bridge, which it was forced to close after more than 100 years of use.

■ But the new bridge would have disturbed the McClelland Island bird sanctuary in the middle of the river—upsetting area environmentalists—and the University of Tennessee at Chattanooga announced plans to begin an archeological dig at Bluff Furnace, an ante-bellum industrial development that lay in the path of the bridge.

The digging is proceeding—for artifacts. Plans for the bridge have been shelved for now.

Knoxville

Population	455,700
Rank	85th
Personal income	$2,723,000,000
Income '77 vs. '76	+11.6%

Preparations and planning for the 1982 International Energy Exposition capture the spotlight in the eastern Tennessee city of Knoxville, overshadowing growth and capital improvements in industry, commerce and municipal developments.

Big budgets were laid out this year for Expo expenditures. In June, the municipal government earmarked $24,000,000 for the acquisition and preparation of the Expo site. According to John Ulmer, executive director of the Knoxville Community Development Corp. (KCDC), $20,000,000 will be spent on a state pavilion featuring a "technologically advanced" arena for exhibit display.

A total of $22,000,000 will go toward construction of the U.S. pavilion, the first scheduled for construction. KCDC also purchased land to construct a nine-acre park on the Expo site.

To accommodate the 12,000,000 visitors expected during Expo's six-month run (May 1 to Oct. 31), Knoxville plans to build two new hotels. In November, ground was broken for a 200-room hotel and adjacent 125-unit apartment complex two blocks east of the Expo site.

A 300-room Hilton Hotel is planned as part of KCDC's East West Mall urban renewal project, which is to offer from 120,000 to 200,000 sq. ft. of retail space at a cost of $13,000,000.

■ To promote commercial expansion, the 27-story United American Plaza opened this year, offering 60,000 sq. ft. at its base for commercial leasing.

Public works projects in Knoxville are aimed at increasing the growth potential of the area. The state highway department has backed the improvement of the interstate highway system in Knoxville. Under way is a stretch of 10-lane highway and three-level interchange to replace the present four-lane intersection of Int. Hwys. 40 and 75.

Already new industry is heading for Knoxville. In May, Magnavox Consumer Electronics Group broke ground for its newly relocated headquarters. Magnavox' $7,500,000 plant on Strawberry Plains Pike near Int. Hwy. 40 is expected to have 550 employes when it opens next year.

The facility will replace current headquarters in Fort Wayne, Ind. A local company, McCarty, Bullock & Holsaple, designed the three-story building, planned for the 26.5-acre site.

■ Energy-related industries in the Knoxville area anticipate increased attention, if not additional growth as a result of the Expo. The Tennessee Valley Authority and Union Carbide, leaders in energy research and development, are two of these, soon to be joined by Boeing Engineering & Construction Co. of Seattle.

Boeing announced plans this year to construct a 200,000-sq.-ft., $45,000,000 manufacturing plant in Oak Ridge. The plant will be built under a $235,000,000 joint contract awarded by the U.S. Department of Energy to Boeing, the Los Angeles-based Garrett Corp. and Goodyear Aerospace Corp. of Akron, O.

The facility will manufacture centrifuge enrichment machinery for two DOE uranium enrichment plants. The first phase is expected to have 250 employes, plus 40 technical staffers moving to Oak Ridge from Seattle.

The new facility will broaden the current DOE base in the Knoxville area. Union Carbide's nuclear division operates three DOE facilities outside Knoxville. The Oak Ridge Laboratory conducts research; Oak Ridge gaseous diffusion plant enriches uranium 235 for use in nuclear power, and Oak Ridge Y-12 serves as a defense facility.

Nuclear fusion is the focus at Oak Ridge Laboratory. Research and development efforts are devoted to perfecting what the lab terms an unlimited and invaluable energy resource. Oak Ridge is also developing methods to use fossil fuels through experimentation with a technique for converting coal to synthetic fuel.

■ TVA, the nation's largest producer of electricity, spent $23,500,000 this year on energy projects. Part of the sum has gone to construct the first of six nuclear plants. Another portion went toward solar energy development efforts.

As part of a current TVA solar research project, solar water heaters have been installed in 1,000 Memphis homes in order to study energy cost savings. Kentucky broke ground in September for the first of 44 homes that will be fueled exclusively by passive solar energy, another TVA project. For fiscal year 1979-80, about $4,000,000 is budgeted for solar and renewable resource work.

Industrial expansion interests raised by Expo are expected to affect the housing market. Lafitte Howard, business editor of the *Knoxville News-Sentinel*, speculates that the cost of residential housing in 1980 will increase at a rate considerably above the 10% recorded for this year.

Louisville

Population	887,300
Rank	41st
Personal income	$6,146,000,000
Income '77 vs. '76	+11.50%

The nation's energy problems may be hurting Louisville's economy by cutting into the amount of traffic passing through the city and taking a bite out of its tourist trade, but the high gas prices and occasional shortages are also helping the city begin to deal with one of its most serious problems—air pollution.

New bridge construction symbolizes the ever changing Memphis skyline.

One of the nation's more industrialized urban areas, Louisville has been unable to meet the Environmental Protection Agency's air quality standards. Tackling the city's air pollution problems is complicated by its location down in the Ohio River Valley, with air tending to hang in the valley and inversions and stagnant air situations common.

In an effort to cut the amount of pollution caused by auto traffic, the city has been increasingly promoting vanpooling programs and public transportation. Since 1974, the marketing budget has grown from $60,000 to $250,000, with much of the advertising effort aimed at informing residents of the city's air quality problems and the need for use of public transportation.

The effort met with some success, but is wasn't until the high prices, gas shortages, and long lines hit the nation last spring that the popularity of public transportation in Louisville really took off.

■ Bus ridership shot up to record highs this summer—normally the slack time of the year—and the city ran out of vans for those interested in vanpooling. Transit officials also say that there has been a significant shift in rider demographics—including more discretionary ridership and a greater number of white-collar, downtown workers and many requests have come in for bus service to new parts of the Louisville metropolitan area.

The surge in popularity of public transportation also resulted in a change in the transit authority's marketing efforts. This fall's radio, tv and print advertising, for example, positions public transportation as a convenient and economic alternative to driving a car.

The new campaign also places more emphasis on showing people that public transportation is fun and easy to use as well as striving to inform the public about the services that are available and how to use them.

The uncertain gas situation has also convinced the city to concentrate its tourism advertising in a smaller area in the coming year, focusing its efforts on such cities as Columbus, Evansville and Indianapolis, rather than more distant cities such as Chicago and Cleveland.

■ The desire to avoid unnecessary driving also contributed to the emerging interest in rehabilitation of the city's close-in neighborhoods. The Old Louisville Preservation District just south of downtown has been particularly popular, with many middle and upper-middle-income couples and families buying and restoring the large, old homes located there.

Louisville's downtown area also continues to prosper and, as 1979 draws to a close, it appears that construction of the long-awaited Galleria project will begin shortly.

A $101,000,000 project, the Galleria is planned to cover two blocks and to include 100 shops, two office towers, a commercial building and a multistory, glass-enclosed courtyard and garden.

Though the city and county have been supporters of the project from the beginning, the developers have encountered resistance from historic preservation groups that fear that the project would destroy the Louisville landmarks located in the area and from environmentalists who questioned the wisdom of a project that might adversely affect the area's air quality by attracting more vehicular traffic into the downtown area.

Plans and work on other downtown projects are moving along as well. Construction has already begun on a $100,000,000 riverfront complex containing apartments, a convention center, a hotel, retail space, three office towers and parking; work on the $37,000,000 Kentucky Center for the Arts is expected to begin shortly, and a downtown site is currently being sought for the new University of Louisville sports arena.

Memphis

Population	888,800
Rank	40th
Personal income	$5,731,000,000
Income '77 vs. '76	+11.67%

Memphis—the "Home of the Blues"—has its troubles, including a continued influx of unskilled labor, and lingering bitterness from last year's fire, police and teacher strikes. But 1979 brought a number of signs that the city has turned the corner.

Among the reasons for optimism:

• A revitalized chamber of commerce has formed a broader basis of support for its industrial recruiting activity. A year ago, the chamber had been on the brink of bankruptcy. Now the rejuvenated chamber is pushing ahead on its promise to help the city get 20,000 manufacturing jobs over the next 10 years and the first of them—a tv manufacturing facility for Sharp Electronics of Japan—opened this fall with 750 jobs, and the prospect of 2,000 in the future.

• Airline deregulation has boosted Memphis air traffic. Delta and American Airlines are expanding their Memphis operations, and United designated the city as a major hub and doubled its flights in and out of the city.

• Progress is being made on the $5,200,000 Beale St. Renovation Project and the $30,000,000 Volunteer Park development. Work on turning the four-block Beale St. area into a tourist and entertainment district with a French Quarter atmosphere was finally begun this year after some delays.

At the same time, construction work began on the museum portion of the Volunteer Park complex planned for Mud Island, located across from downtown. The monorail and walkway that will link the island's planned amusement, educational, and cultural facilities with the downtown Cook Convention Center are expected to be completed by late 1980.

• Tourism boomed after Elvis Presley's death, including 15,000 visitors who crowded outside the gates of his mansion on the anniversary of his death.

• The city was successful in keeping the Memphis Rogues NASL soccer team from fleeing the city (it is now locally owned), and it came close to luring the Baltimore Colts football team to Memphis and the city's Liberty Bowl stadium. Locals remain hopeful that Memphis will be next to get a National Football League franchise.

■ Despite the promise of better times ahead, many of Memphis' problems remain to be solved. One of the most pressing is how to help the large number of unskilled workers who have migrated to the city from the surrounding agricultural areas.

Observers say that in recent

years the low productivity of these untrained workers has caused at least one major manufacturer to leave Memphis, has inhibited other companies from coming to the city and continues to trouble firms located in the area.

It is likely that many manufacturers being courted by the chamber of commerce to move to Memphis will be taking a close look at the success (or failure) of the recently established Sharp plant.

■ There is also some concern regarding the future of the city's downtown retailers. Although the downtown area continues to be the city's center of banking and government, almost all the new office and retail development in recent years has followed the residential flow toward the southern and eastern outskirts of the Memphis area.

The southern district near the airport has grown especially rapidly, with two giant 1,100,000 sq. ft. malls now under construction nearby and expected to open in 1981. The completion of the northern leg of I-240 is expected to spur similar growth in the northeast part of the metropolitan area.

In response to the challenge of the outlying retailers, the 10-block downtown Mid-American Mall was completed a few years ago and has helped to stabilize downtown retailing.

Programs such as the Memphis in May festival, the Schlitz Jazz festival and the Oktoberfest help draw people downtown, but it remains to be seen what will happen once the large outlying malls open.

Mobile, Ala.

Population	**435,300**
Rank	**90th**
Personal income	**$2,448,000,000**
Income '77 vs. '76	**+11.53%**

Statistics have yet to construct a clear picture of Mobile, Ala., after the harbor town was ravaged by Hurricane Frederick, but as Randy Rein, business editor of the *Mobile Press Register*, remarks, "Freddy pretty much tore up things around here."

Yet even hurricane clouds can have silver linings, and Mobile may well uncover unexpected benefits once the storm debris is swept away.

"We are living the last quarter of 1979 in a transfer economy," Mr. Rein says. "And I think it's safe to say that as a result, Mobile's economy is better than normal."

According to Mr. Rein, the biggest boost will be felt by the construction industry. Up to now, this has been the weakest sector of the local economy. "Now construction workers have more than enough to do," he says. "For now, recovery is a shot in the arm."

■ While most construction is for repair of homes and office buildings, rebuilding activity may boost new residential construction which felt a continued slowdown in single-family housing for 1979.

It likewise may add to construction of apartment units. The chamber of commerce reports that permits for apartment units for the first half of 1979 were already up 15% over the same period in 1978.

Sales of consumer goods have also snapped back, as recovery creates marked changes in consumer spending. Area food stores report sales of frozen foods and canned goods are booming, as consumers hasten to restock depleted freezers and shelves.

Car sales are likewise up, outdistancing the depressed norm for the rest of the nation. "Car business was dismal here this year," Mr. Rein comments. "Now people are going ahead and purchasing new cars to replace those crushed or lost in the flood."

Retailers report that consumers are spending readily available insurance refunds to replenish fall wardrobes and "to buy that long-awaited color tv." Meanwhile, area residents have chosen to postpone major expenses—furniture, housing repairs—until they receive their low-interest federal loans.

■ Jewelers report active sales of gold jewelry. Again, consumers have opted to apply insurance cash-on-hand to this speculative investment.

While figures on the extent of damage have yet to be compiled, industries report that business is back to normal. "The greatest damage occurred to homes in the low-lying areas," states Ted Hackney, a representative of the chamber of commerce. "At present, the vast majority of businesses are back in operation, perhaps with a patched-up roof or front end. This is particularly true of industrial plants.

The go-ahead is still intact for industrial construction plans announced this year. These include Shell Chemical's plans to build a plant to produce Pydrin insecticide, expected to employ 100 workers. This will adjoin its $50,000,000 herbicide plant that opened last year, employing 200 workers.

Kay-Fries Chemicals of New York broke ground on a $17,000,000 plant in the Theodore Industrial Park, a major industrial complex 14 miles south of downtown Mobile. Kay-Fries' plant is expected to begin operation in early 1981.

■ Degussa Corp. plans to add four new plants to the company's current $200,000,000 complex in the Theodore Industrial Park. When completed, the U.S. facility will duplicate an existing specialty chemical facility in Antwerp, Belgium.

New industry broadened Mobile's industrial base and increased job opportunities in 1979. Union Carbide announced the start-up of its multi-million-dollar Linde division air separation plant in Theodore Park. The 410-ton-per-day facility supplies high-purity oxygen, nitrogen and argon products to industrial customers.

Autlan Manganese Corp. of Mexico City purchased the Ferro Alloy Complex, formerly operated by Airco Inc.'s alloy division. Autlan Manganese hired 100 workers when it put the facility back into operation.

Halter Marine added 250 workers when it expanded its facility this year. Halter Marine leased a shipbuilding facility at the Port of Chickasaw last year.

S. S. Steele & Co. purchased a site for a new 53,000-sq.-ft. home office and manufacturing complex. Steele is the area's leading "on-your-lot" builder of residential homes.

Nashville

Population	**786,000**
Rank	**51st**
Personal income	**$5,138,000,000**
Income '77 vs. '76	**+12.26%**

If Nashville officials have their way, no one who visits the city in 1980 will be able to miss the fact that the city is celebrating its 200th birthday.

The celebration will start Dec. 23, 1979, with a reenactment of the arrival of explorer James Robertson to the area and will continue throughout the next year.

All of the city's major annual events have agreed to use the "Century III" tag line, and souvenirs such as buttons, t-shirts, historical calendars and coffee table books emblazoned with the trademarked Century III logo will abound.

(Continued on Page 60)

THE 2-BILLION
DOLLAR WOMAN.

She's alive and well and living in the Greater Miami Latin Market

That' right! She's Latin.
And she's affluent. As a matter of fact, she's worth $2-billion each and every year.

$2.2-billion, to be exact*. For that is the aggregate annual income of the more than half-million Spanish-speaking people making up the Greater Miami Latin Market.

Being affluent, this 2-billion dollar woman spends a lot of money. On food. On fashion. On jewelry. On cosmetics. On decoration. On her home. On her kids. On her husband. On her whole family.

Oh!, yes, she's very much family-oriented. Her activities revolve around her whole family. And it's a large family, averaging 3.4 members per household*.

But for you--the advertising decision-maker-- the most important aspect of this 2-billion dollar woman is that she speaks and reads in Spanish. Not only does she speak and read it, but she lives, breathes and thinks in Spanish. Therefore, she makes her buying decisions in Spanish.

And the place she goes to every day to get help in making those buying decisions is DIARIO LAS AMERICAS. The No. 1 Spanish-language daily newspaper. Particularly oriented to her and her family.

Make sure you get your fair share of this 2-billion dollar woman. Reach her by advertising in DIARIO LAS AMERICAS

*Source "Dade Latin Market 1978"
Strategy Research Corporation

DIARIO LAS AMERICAS

The Spanish-language daily newspaper
Founded July 4, 1953

26 YEARS OF CONTINUOUS DAILY PUBLICATION

For additional information call: (305) 633-3341
Or write: Advertising Department, DIARIO LAS AMERICAS
2900 N.W. 39th Street, Miami, Florida 33142

(Continued from Page 59)

The centerpiece of the celebration will be a week-long festival beginning April 24, the 200th anniversary of the arrival of the first families to the area.

Already planned are re-enactments of the first landing; a special musical program saluting the city at the Grand Ole Opry; an imaginative "reverse parade" in which the "parading" musical groups will remain stationary at various historical points while the "onlookers" walk by; a birthday gala picnic at Centennial Park and, of course, a giant fireworks display to "Celebrate the past while looking to the future"—Century III's slogan.

- Nashville certainly has its share of things to celebrate, with a highly diversified economy that has enabled the city to enjoy orderly, steady growth in recent years and earned the city a reputation for being recession-proof.

Aside from a one-month jump to 5.5% in July, Nashville's unemployment rate this year stayed under 4.5%, well below the national average.

Though high interest rates caused most local contractors to cut down on "speculative" construction and to concentrate on "lock and key" projects, Nashville construction also continues strong.

- Among the more popular residential areas are Brentwood (south of the city and featuring homes with prices starting at $100,000) and Hendersonville (northeast of the city with prices starting at $60,000).

The Hickory Hollow area, nine miles southeast of downtown, has seen the greatest retail growth, with many small retailers and fast-food outlets beginning to cluster around the giant Hickory Hollow mall that opened in the fall of 1978.

In downtown Nashville, portions of the long-awaited, $34,500,000 Tennessee Performing Arts Center are expected to open in the spring, with the 31-story office tower atop the arts center scheduled for completion by the fall.

- Chamber of commerce officials are also enthusiastic about the long-term potential of a large tract of downtown land, formerly occupied by railroad track, that has recently become available.

The local economy was also given a boost by Firestone's announcement this spring of plans for a major expansion of its Nashville tire plant. Work started last summer on the $145,000,000 expansion, which is expected to add 3,000 jobs when it is completed in 1983.

Officials at the city's chamber of commerce add that many companies are examining the Nashville area as a site for new facilities, indicating another year of good growth in 1980.

Most indicators may agree with the chamber's prognostications, but troubles afflicting two of the city's big industries—tourism and recording—should not be overlooked.

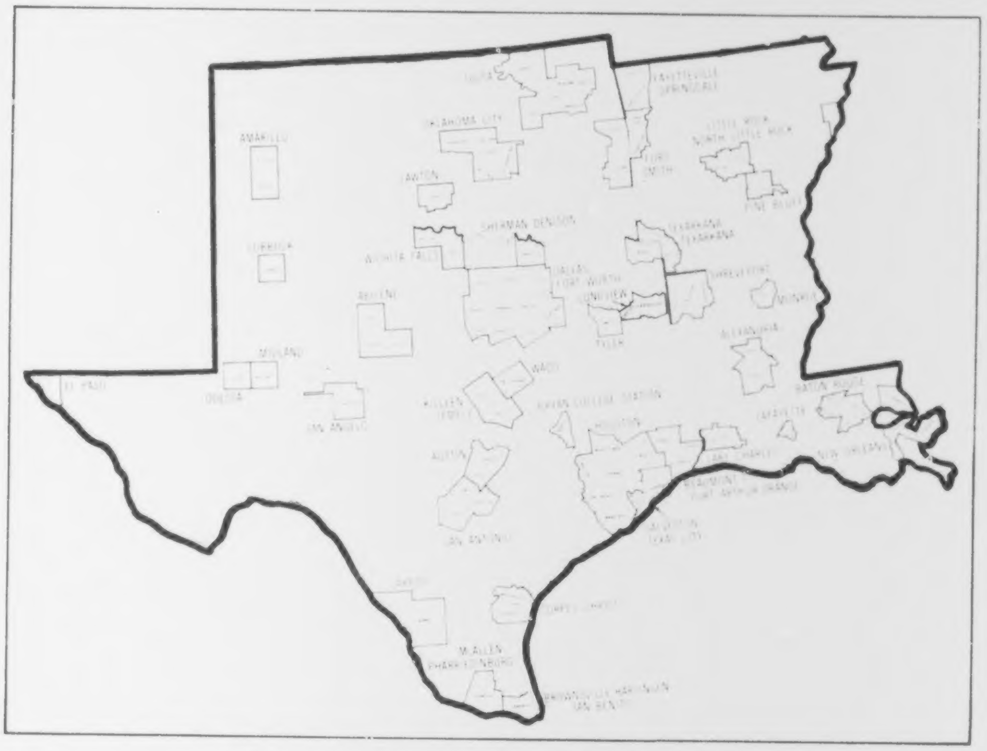
As a result of the high gas prices and shortages, the number of tourists visiting the Nashville area slumped badly this summer. Most estimates pegged the mid-summer slump at about 15% off last year's pace, although the tourism season ended on the upswing as the gas situation improved.

Additional advertising that was run in a 500-mile—"one tankful"—radius around Nashville during the summer may also have helped improve business.

More than 7,000 hotel rooms were built in the Nashville area in the last decade (including 1,000 in 1979 alone). Civic leaders express justifiable concern that rising gas prices and the faltering economy will result not only in less tourism but will also cut into the number of business travelers visiting the city, and hurt the growing hotel industry.

- The sluggish recording industry also caused some sour notes in Nashville, where more than 50% of all U.S. singles are recorded. The rising cost of petrochemicals used in the manufacture of records has caused prices to shoot up, and the relative dearth of new music stars has not helped record sales either.

The surge of interest that followed the death of Elvis Presley helped record industry sales, but, as one observer pointed out, "Elvis won't be recording any new albums."



West South Central

Austin

Population 477,900
Rank 81st
Personal income $2,946,000,000
Income '77 vs. '76 .... +13.66%

Beautiful Austin, capital of Texas, with its almost recession-proof economy firmly rooted in government, education, tourism and a growing industrial complex, has proven an irresistible lure to newcomers.

With one of the lowest cost of living indexes in the country, plus its mild weather, diverse recreational and scenic offerings and the general feeling that eating and drinking are among the joys of life, Austin is the kind of place a person is likely to visit and think, "Gee, it would be nice to live here."

And therein lies what many see as Austin's biggest current worry: How to grow gracefully—if at all.

Over servings of Portuguese soup at the Inn at Bushy Creek, or rack of lamb at Erich's, while savoring barbecue brisket tacos at a Casita Jorges, or a beer at historic Scholz's Garten, conversation may turn to Austin's growth.

- Although there hasn't been talk of building walls around the city, a bumper sticker has appeared with "No Vacancy" written over a representation of the Austin skyline.

The growth/no growth debate has bubbled to the forefront here, triggered primarily by two issues—whether scenic areas along Barton Creek should be turned over to apartment and shopping center development, and how the city should move ahead with the revitalization of its downtown.

While the debate continues, so does Austin's growth, proof of the enduring strength of the market. The area continues to attract light industry and is gaining a reputation as a new electronics and computer industry center.

Recent plant expansions have been accomplished by IBM, Texas Instruments, Motorola, Tracor and Westinghouse. Production is under way at new Austin plants for a Hughes Tool Co. division, the McNeil Laboratories division of Johnson & Johnson, Data General and Advanced Micro Devices.

- Retail sales were down slightly in 1979, but retail expansion continued. The first Foley's department store outside of Houston highlighted a major expansion of the Highland Mall regional shopping center and construction started on Melvin Simon's Barton Creek Square, planned as an enclosed regional mall with at least six department stores when completed by 1981. At least 11 other new shopping centers have opened since 1977.

New office towers are under construction or announced for three Austin banks, and a 400-room downtown Hyatt-Regency also is planned. The *Austin American-Statesman* plans a new lakeside downtown plant.

For lovers of the arts, the Paramount Theatre for the Performing Arts was completely renovated and then reopened and Symphony Square was completed.

Austin continues to be a city where employment remains high and unemployment low—at about half the national average. Housing starts in 1979 were above the record 1978 level.

- Austin Mayor Carole Keeton McClellan noted her city did not face the severe gasoline shortage that hit other areas of the country, including Texas, in 1979, and gas prices generally did not reach $1 per gallon.

There apparently was enough of a shortage and price increase, however, to result in greater use of public transit, she indicated.

Mayor McClellan noted the city is diversifying its fuel base for its electric plants to coal, lignite and nuclear and away from a total reliance on natural gas.

"The diversification is particularly important to our commercial and industrial customers," she said. "Austin prides itself on being able to attract and maintain financially sound and environmentally clean industries, which use electricity rather than other fuels in their production efforts. Since Austin is now using fuels in other than natural gas and oil for the production of electricity, price changes in those fuels have a smaller impact on business."

Baton Rouge

Population 444,600
Rank 87th
Personal income $2,894,000,000
Income '77 vs. '76 .... +11.87%

Like Old Man River—the mighty Mississippi to the West—Baton Route just keeps on rolling along.

Anchored by state government offices, a giant petrochemical industry and the main campus of Louisiana State University, the area's economy leveled off a bit from the frantic pace it has kept in the last few years, but it showed few signs of weakness.

Two major projects highlighted the development of downtown Baton Rouge in 1979—completion of the Centroplex area and plans for a $50,000,000 hotel, office and bank complex adjacent to Centroplex.

Occupied early this year, Centroplex features a new municipal government building, an arena and exhibition hall, a plaza, a theater, an arts and science center and a parking area. The bill was some $55,000,000.

- Plans were announced for an early 1980 groundbreaking of the hotel, office and bank complex, which is to house City National Bank. Baton Rouge officials are still lining up tenants for the 20-story office building and negotiating with a major chain for the planned 300-room hotel.

Several older downtown hotels are being refurbished, but the new hotel would be the first major new hotel in the central downtown.

"These two projects will give us a brand new downtown—a whole new look," says a local business leader.

New Orleans-based Kirschman's department store opened a major facility on Florida Blvd. in Baton Rouge this summer, but other than a spate of small office building projects, there was little other major construction in the downtown area in 1979.

Most of the major growth in the area came southeast of the city, but still in the SMSA. "The commercial real estate market there is very, very strong," says a Baton Rouge real estate agent, noting dozens of light industries, shopping plazas, and professional and office buildings going up in the area. "That is the really healthy part of the city."

- Residential construction in the SMSA—which consists of East Baton Rouge, Ascension, Livingston and West Baton Rouge parishes—is centered mainly in the northeastern part of East Baton Rouge Parish. And some growth is beginning to occur in Livingston Parish, spurred by parish-backed mortgages that allowed the purchase of private homes at interest rates as low as 8½%.

"It's only a matter of time until East Baton Rouge fills up, and then you're going to get a lot faster growth in the other areas," says a newspaper business editor.

In the same vicinity, Toscaloosa Sands Field, a natural gas field that extends from Texas almost to the Mississippi line, is being opened for development. It's one of the largest natural gas finds in the continental U.S., and will be a big spur to industrial development in Baton Rouge as more companies get involved in exploration and development.

Perhaps the strongest segment of the SMSA's economy is the petrochemical industry, which lines the Mississippi River from Baton Rouge south to New Orleans. Dozens of giant corporations manufacture an array of different petrochemicals ranging from gasoline to plastics.

In 1979, expansion continued, with Goodrich building a large chemical plant, and Shell Chemical Co. taking option on 1,200 acres for a yet-to-be-announced expansion.

- Louisiana State University, with some 26,000 students and a budget of $78,000,000 for its Baton Rouge campuses alone, continues to expand. Dozens of new buildings and renovations are planned or under way for 1980, including renovation of the old chemistry building, a $6,300,000 project; construction of an architecture, fine arts and landscape architecture building, $7,200,000; a two-floor addition to the library, $10,500,000; construction of a new agronomy building, $7,200,000; a new forestry, wildlife and fisheries building, $7,900,000, and construction of a continuing education center, $24,500,000.

The state government, which employs more than 13,000 people in Baton Rouge, with a payroll in excess of $25,000,000, continued to grow, although no major new spending projects were planned in 1979, an election year in the city.

Baton Rouge's port facilities, fourth largest in the U.S., set a record of 70,000,000 tons in 1977, an increase of 4,000,000 tons over last year. According to Bill Herbert, an official with the port commission, a million tons will be added in 1979.

An expansion project is due to start at the city's Ryan Airport in early 1980, including construction of four jetways, which would allow passengers to board flights directly from the terminal.

Also planned is a $6,000,000 expansion of the terminal building. Other improvements, including construction of additional parking facilities, an access road from Int. Hwy. 110 and construction of a National Weather Service building, have been completed.

▪ Still vexing the metropolitan area is the question of whether to build a new airport in an outlying area to service private or general aviation, thus reducing traffic at Ryan. A $2,500,000 site study is to be completed in early 1980, and the Greater Baton Rouge Airport Authority may then make a decision.

The issue has been a controversial one, with the mayor favoring a new airport and the airlines and residents of proposed airport sites in opposition. The airlines favor expansion of Ryan Airport.

"We have had, literally, at least 32 studies on a new airport over the last 20 years," says a newspaper editor, "and I don't know whether this new study will make any difference. It just seems to be one of those issues that for some reason isn't resolvable."

Dallas-Fort Worth

Population	**2,719,900**
Rank	**9th**
Personal income	**$20,595,000,000**
Income '77 vs. '76	**+12.89%**

When the recession of 1973-74 hit the U.S., the question in the Dallas-Fort Worth "Metroplex" was "What recession?" Now, as the country appears headed toward another recession, this area does not expect immunity, but plans to weather the storm well.

In spite of one of the fastest rising cost of living indexes in the country, the Metroplex has remained a booming area. Interest in corporate moves to the area—which fed the boom of the past decade—show little sign of abating at the start of the '80s. The economy continues to create more jobs than a steady flow of new residents can fill.

The area continues to be one of the nation's most active housing markets, in spite of some slowdown fueled by rapidly rising prices and a shortage of mortgage money.

▪ The dynamic Metroplex is anchored by its landlocked "skyharbor," the Dallas-Fort Worth Regional Airport (DFW), a major growth stimulator for the entire area, but particularly for the 35-mile area separating the two cities.

Braniff International, American and Texas International airlines—which have all been expanding service—are working on expansions at DFW. Braniff moved its headquarters from Dallas to new DFW facilities in 1979 and also is expanding its terminal facilities. Texas International plans a $39,000,000 expansion of its terminal.

American Airlines completed shifting its headquarters from New York to temporary Metroplex headquarters during 1979. Its new headquarters facilities at DFW are expected to be finished by early 1982. American also has a new southern reservations center under construction at the airport.

An example of DFW's impact on its immediate area can be seen in development of a foreign trade zone authorized in August, 1978. A year later, the 259 acres of raw land set aside for the zone were completely leased to developers, except for 80 acres held in reserve by the airport.

Adjacent to the zone, Woodbine Development Corp. unveiled plans for 500-acre DFW Freeport, an industrial and office park that is expected to include a hotel.

▪ Although the whole Metroplex area has continued to boom, the biggest surprise is Fort Worth, a city that often seemed unable to decide whether it wanted growth or no-growth. In 1979, business leaders made it clear they would aggressively pursue revitalization and growth.

Bass Brothers Development Co. has undertaken a three-phase downtown revitalization project that includes construction of a $34,000,000 Tandy Center Hotel, improvements to a nine-block area of Main St., and renovation of 12 buildings, including historical landmarks, for use as retail, restaurant and office space.

Chamber Development Corp. has purchased two city blocks for redevelopment under its "Project Front Door" revitalization program.

Woodbine Development Corp. of Dallas plans a $31,500,000 renovation of the historic Sheraton-Fort Worth into a Hyatt Regency. Also planned for downtown is a 150-acre park on the slopes of the Trinity River. Away from downtown, Fort Worth's historic stockyards area is also undergoing renewal.

▪ Another sign of Fort Worth's attitude: Late in 1979, the Economic Development Council named McKone & Co., a local agency, to help develop a comprehensive marketing program, including advertising, promotion and public relations, aimed at encouraging corporate relocations to Fort Worth.

In Dallas, development has continued at its usual torrid pace, both downtown and in the northern area of the city. As it continues to grow as a convention and business center, hotel space remains tight, although several hotels are under construction or announced and more rooms become available each year.

As of late 1979, there were at least 10 major commercial office construction projects under way or announced in downtown Dallas, paced by the $100,000,000 Plaza of the Americas.

As a sign of Dallas confidence, a $35,000,000 sports arena is under construction downtown to house major league pro basketball and hockey teams—although the city doesn't have them—yet.

In the business-like manner typical of Dallas, the city plans a $1,000,000 outdoor scoreboard system for the arena that it figures will be paid for by advertisers—at the rate of over $200,000 annually.

▪ Although a continued shortage of gasoline or a significantly more expensive energy supply are seen as factors that could radically affect the way the Metroplex may grow in the future, gas shortages and odd/even rationing did not hurt retail sales in 1979.

In far north Dallas, Prestonwood Town Center, a $93,000,000 enclosed complex with five anchor stores and over 150 shops, opened in August. Within a month, plans were unveiled for the "Quorum," a 167-acre office, shopping and hotel development across the road from Prestonwood.

Plans also were dusted off for a Dallas version of Houston's Galleria, to be anchored by Marshall Field & Co. and Saks Fifth Avenue in an older north area. Sanger-Harris announced an innovation for Dallas—leasing its air rights for an eight-story office and parking development over an addition to be built to its Preston Center store.

The continuing population growth and the 1979 gas shortage left Dallas beginning to face up to two related problems—traffic congestion, particularly along the 30-year-old Central Expressway, and inadequate mass transit. Debate about both issues heated up in 1979 and is sure to intensify in the '80s.

El Paso

Population	**443,300**
Rank	**88th**
Personal income	**$2,204,000,000**
Income '77 vs. '76	**+9.43%**

El Paso, like many cities throughout the nation, is feeling the bite of the unstable economy. But the city's proximity to Mexico and its two newly formed financing agencies have cushioned recessionary effects.

Within the past three months, city government officials have approved formation of the El Paso Industrial Finance Corp. (EPIFC) and the Housing Finance Corp. EPIFC is a nonprofit development group that will issue bonds to spur industries to locate in the El Paso area.

The city has lost much industry in the past because Texas is bordered by states that have offered low-interest development bonds for more than 20 years.

▪ In addition, the city's twin-plant arrangement with neighboring Mexico allows basic materials and machinery to be imported duty free for manufacturing plants located in Mexico. The agreement lets American industry take advantage of cheap labor markets in El Paso's sister city, Juarez, and pump U.S. dollars into that sluggish border city.

Since the beginning of the year, General Motors Corp. has opened several assembly divisions under the agreement. Businessmen are optimistic that the revenue-bond program will fuel a boom in industrialization when the funds become available at the end of the year.

Underwriters for the Housing Finance Corp., meanwhile, are taking bids on more than $100,000,000 in tax-free bonds to help middle and low-income people buy homes in El Paso.

Applications already are being accepted, and it is expected that revenue from the bonds will be made available to borrowers at between 8½% and 9½%.

▪ This strategy is expected to pump new life into the city's housing starts, which have been down considerably from last year. A provision has been established allowing 40% of the funds generated from the bond sales to be set aside for new housing.

El Paso's conventional mortgage market dried up early this spring when the inflow of savings at local thrift institutions remained negligible, while the Texas usury ceiling continued to force an artificial ceiling on El Paso mortgage rates—a ceiling considerably lower than the national secondary market.

In the energy area, El Paso fared better. There were few, if any, lines at gas stations during the "gas crunch." El Paso residents had plentiful supplies of gasoline and diesel fuel throughout the year.

While retail sales were declining across the nation this summer, an informal survey showed El Paso businessmen were experiencing record sales. This came as the city's two largest industries changed their marketing strategies in anticipation of an economic slump.

Apparel manufacturers adjusted their operations early in the year to gear for shorter lead times and smaller orders. They knew retailers would be cutting down on inventories and asking shorter time spans between ordering and delivering.

Also, the El Paso Tourism and Visitor's Bureau, anticipating a gasoline shortage during the city's peak summer tourist season, changed it marketing focus towards the air traveler.

The strategy apparently worked. Air travel into the city has increased 37%.

Although hotel-motel occupancy along El Paso's interstate highway, which runs through the center of the city, has been down considerably, occupancy at hotels catering to tour groups has risen and the city's tourist-related income is expected to reach an all-time high.

Houston

Population	**2,595,400**
Rank	**11th**
Personal income	**$20,718,000,000**
Income '77 vs. '76	**+14.15%**

Like the runner who turns to

(Continued on Page 62)

There is more to Georgia than Atlanta. . .the
GEORGIA GROUP
(AND PLAINS)
AUGUSTA • COLUMBUS • MACON • SAVANNAH

The combined SMSA figures for the Georgia Group newspapers rank consistently in the top SMSA's in the country

EFFECTIVE BUYING INCOME (000)

47. New Haven-Waterbury	4,456,131
48. Memphis	4,367,891
49. GEORGIA GROUP	$4,318,606
50. Greensboro-High Point-W.S.	4,298,350

Source: Sales Management Survey of Buying Power, 1977

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(Continued from Page 61)

look back at the pack, Houston, America's super boom town of the 1970s, has slowed only slightly as it races into the '80s. As a local financial analyst put it, "In Houston, a recession is when the rate of increase declines."

Residential construction gives the clearest example. According to a National Assn. of Home Builders forecast, total housing starts in the metropolitan area in 1979 were down 22% from the previous year—to a still whopping 46,960. Starts in 1980 are expected to be about 2% below the 1979 level. Even with the 22% decline, however, Houston led the nation in housing starts for the fifth consecutive year.

An influx of foreign money in recent years has been a factor in the market for commercial and residential real estate. Now this has suddenly been augmented by a flood of money from Californians looking for ways to avoid the hassles of expensive land, strict zoning, environmental restrictions and—increasingly—rent controls, that are hampering housing investments in their state.

▪ Houston has not escaped the current national fascination with converting apartments to condominiums, although there is some feeling that the trend has peaked here.

A clear sign of confidence in Houston's future is that nonresidential construction has continued its maddening pace. Following a record year in 1978, the value of construction contract awards in Harris County during the first seven months of 1979 was up 41% to over $1.5 billion.

In office leasing, including preleasing, Houston has led the nation for the past two years and the leasing activity isn't slackening. Office space nearly tripled in Houston during the 1970s.

It was like frosting on the cake when it was decided in 1979 that Texas Commerce Tower, already under construction, should rise to 75 stories instead of 70, a reflection of strong preleasing. Only federal aviation height restrictions prevented it from going higher. The structure, announced in 1978 as El Paso Tower, was 65% leased before construction began. It will be completed in late 1980.

▪ Other examples of the strong leasing activity include the First International Plaza Houston Oil & Minerals Tower, a 55-story structure downtown that is fully leased while still under construction, and First City Tower, a 40-story downtown office building scheduled for completion by early 1981. Announced in March, it was about 50% leased by September, before construction began.

The office space—and housing—is needed by the businesses that are continuing to relocate and expand in Houston and the people who are going to work for them. Historically, the area's rapid population growth occurred because the economy created more jobs than could be filled by the resident labor force. That situation continues.

The Houston SMSA, with an estimated population of 2,595,400, expects to have a population of 2,957,000 by the end of 1980 and nearly 3,500,000 by the end of 1985.

▪ From 1973 through 1978, the Houston SMSA averaged an annual net gain of 72,500 in employment, which translated into a 6.6% annual compound growth rate. In 1979, even with the slowing national economy, employment grew about 4%. Average unemployment for 1979 will be in the range of 3.7% to 3.8%, well below the national average.

Houston is experiencing rapid growth in better-paying jobs. The Texas Employment Commission projects that nearly one-third of the area's growth in employment through 1985 will occur among professional and managerial groups.

Retailers are working to serve the increasingly affluent market. In 1979, Sharpstown Center announced an expansion that will boost it to a total of 1,500,000 sq. ft. and make it Houston's largest regional mall—until Sears builds an announced regional mall of 2,000,000 sq. ft., largest in the South.

Greenspoint Mall also plans to expand to 1,500,000 sq. ft. As of September, San Jacinto Mall was the only regional mall under construction, but six others were announced or in the talking stage.

▪ Department store sales slowed for a short period in 1979 when gasoline was in short supply and the area shifted to an odd/even gas purchase plan. During the period, some discretionary driving was apparently eliminated. Retailers expect something of a rerun in 1980—reduced driving if gas supplies are tight.

On the good side of the gas shortage was a noticeable increase in carpooling and vanpooling, with encouragement from the Metropolitan Transit Authority. MTA is also studying the feasibility of a non-auto transit mall downtown.

In its role as a center for energy development, Houston is increasingly becoming an international city. Through September, eight more foreign banks established Houston offices in 1979, bringing the city's total to 44.

As of 1979, the city ranks fifth nationally in consular offices with about 50, including one of two U.S. offices established by the People's Republic of China. The city also received its long-sought U.S. passport office in 1979.

▪ Work isn't all there is to life in Houston. For people not interested in the football Oilers or baseball Astros, which have both developed statewide followings, there are also professional basketball and soccer teams.

For less athletic spectators there are also offerings of opera, ballet, symphony and theater. The runaway hit of 1979, ironically imported from New York, was "The Best Little Whorehouse in Texas," a musical about the closing of the Chicken Ranch in La Grange, not too far from Houston.

Houston is also a place where people can make a hobby of trying new restaurants. Some 200 open here in a month. But what else can you expect from a boom town?

Little Rock

Population	376,400
Rank	100th
Personal income	$2,514,000,000
Income '77 vs. '76	+11.29%

Reentering the top 100 markets this year is Little Rock, the capital city of Arkansas. Marked by a balanced economy and below average unemployment, this Sunbelt city has achieved steady, stable growth in recent years.

Today, half of the state's 2,500,000 population finds itself within a 60-mile radius of Little Rock. Built in a free foreign trade zone on the banks of the Arkansas River, this city attracts primarily light industry and distribution-warehousing operations.

In July, Target Stores, a subsidiary of the Minneapolis-based Dayton-Hudson Corp., announced plans to build a major distribution center in Little Rock. The national discount chain, new to Arkansas, plans a two-phase approach to construction. Completion of phase I should bring 600 jobs to the area. By the end of phase II, the facility should comprise 1,000,000 sq. ft., and employ 1,000 workers.

It is expected that the facility will handle distribution for the entire Southwest region. Once the center is operational, Target plans to open two retail outlets to serve the Little Rock area.

▪ Apparently, Little Rock escaped all but the fringes of the 1979 gas shortage. As all across the nation, prices loom at 95¢ or better a gallon. Yet, while many station operators have restricted daily hours, gas appears to be in abundance. Business has not been adversely affected, and retail sales are stable, according to Randy Tardy, financial editor of the *Arkansas Democrat*.

"Tourism is down slightly," he says, "but this is largely attributed to rumor rather than reality."

Still, rising gasoline prices have forced Little Rock residents to adopt conservation measures. In conjunction with the state energy and highway and transportation departments, and with cooperation from major area corporations, the Little Rock Chamber of Commerce instituted a car pool/van pool mass transit system this year.

Already, Bell Telephone, Levi Straus, and Remington Arms have led other companies in the development of car pool programs for employes. Several companies have purchased vans to contribute to gas saving efforts.

▪ The highway and transportation department provides computer "match up" services to locate rides for commuters. The energy department assists in the design of corporate car pool programs. And the chamber of commerce acts as mission control, handling phone inquiries from potential commuters.

Meanwhile, airline deregulation seems to have benefited Little Rock residents, even while causing cutbacks in service. Combined effects of deregulation and the jet fuel shortage have forced major carriers to consolidate service for the long hauls, often sacrificing stops in Little Rock. Braniff International Airlines, for example, recently pulled out all service to the city.

However, both Delta and American Airlines are vying for new routes. Each seeks the Little Rock-Tulsa and Little Rock-Dallas routes to supplement present service.

According to Jim Flowers of the chamber of commerce, while the over-all number of flights has decreased, service to major metropolitan areas has increased. "We now have more of the kind of service we need," he comments. "We have more flights a day to Washington, New York, Chicago and Atlanta than we did before."

In some cases, smaller airlines are taking over routes dropped by the major carriers. Royal Airlines will now offer connector service to St. Louis. Ozark received permission to fly the St. Louis-Little Rock-Dallas route, though as of the end of October, service had not yet begun due to prohibitive fuel quotas.

▪ On the ground, new construction is limited in Little Rock. This can be attributed to the 10% usury ceiling. This maximum allowable interest rate imposed by the state has created a tight money market in Arkansas. With little money for mortgage loans, housing starts are declining.

Most major construction is concentrated in downtown Little Rock, which is destined to undergo significant refurbishing. Efforts spearheaded by the Little Rock Progress Unlimited group resulted in plans for a $70,000,000 riverfront project.

This joint public and private venture will include a 70,000 sq. ft. exhibition hall and adjacent meeting rooms, a 450-room Hyatt Regency hotel, 300,000 sq. ft. of office space, a large amount of retail space, parking ramps and a 17-acre riverfront park complete with amphitheaters and bike and jogging trails. Also planned is restoration of the Capital Hotel.

The convention center is part of an ongoing effort to revitalize urban Little Rock. As more residents return to the city, retail operations that formerly fled to the suburbs are increasing efforts to develop a downtown business base. Numerous restaurants are cropping up to promote a formerly nonexistent nightlife.

In various stages of construction are three new banking complexes. Commonwealth Federal Savings & Loan opened a $3,200,000 office building this summer. Savers Federal Savings & Loan's $15,000,000 complex is nearly completed. First Federal Savings & Loan has earmarked a two-acre block, where it will begin construction sometime next year.

Elsewhere in the downtown area, the Metro Center six-block pedestrian mall continues to thrive.

The Farmer's Market, a drawing card for suburbanites and farmers from outlying districts, is the main attraction. A feasibility study conducted during the last year examined the prospects for turning the temporary edifice into a permanent structure, a move that may foster commercial growth in downtown Little Rock.

New Orleans

Population	1,141,000
Rank	33rd
Personal income	$7,706,000,000
Income '77 vs. '76	+10.81%

Oil may be fueling discontent in many areas of the country, but oil and its companion natural gas are sources of power behind the boomtown growth that's engulfed New Orleans.

Louisiana is the nation's second largest (behind Texas) producer of oil and the leader in the production of natural gas. And the body of water south of New Orleans is the nation's center for offshore oil rig operations. It is estimated that one out of every four jobs in the Crescent City's metropolitan area depends on oil and gas. In the surrounding areas, the estimates run to one of three.

Many workers not involved in oil and gas related industries, rely on conventions and tourism for their livelihood. More than 46,000 permanent jobs in the New Orleans area are pegged to the $1.1 billion tourism business. Nearly 32% of that goes for lodgings in the more than 22,000 available hotel and motel rooms.

▪ The city has seen some immense hotel construction, and a number of additional super hotels are under way. Among them: The 50-story Sheraton New Orleans with 1,200 rooms; the $35,000,000 "super luxury" Trusthouse Forte hotel in the Canal Plaza Development, and the 400-room addition to the Marriott hotel, an expansion that will make this hotel the largest in the Marriott chain.

Two huge convention facilities—Rivergate and Louisiana Superdome—offer 134,000 sq. ft. and 160,000 sq. ft. of exhibit space respectively. But the city sees the need for even larger facilities, and financing for a 225,000-sq.-ft. facility on the River is under discussion.

Commerce and retail space is also tight. Occupancy rates for office space run 95%, with rents ranging from $10 to $13 per sq. ft. The downtown business area, which accounts for about 15% of all the retail sales in the SMSA, is adding about 640,000 sq. ft. of retail space.

The Canal Place Development, a project expected to revitalize the riverfront area between the French Quarter and the central business district, represents one of the first large-scale, multi-use projects in the New Orleans area.

Phase One, a 32-story, 680,000 sq. ft. office building, opened in August and Phase Two, which will include a 250,000-sq.-ft. retail mall anchored by a Saks Fifth Avenue, is scheduled for completion in 1982. Already plans are being drawn up for a second office tower, another hotel, and a condominium and townhouse residential complex.

▪ Other new construction projects include Poydras Plaza, a structure with a 1,250-room Hyatt Regency, the 425,000 sq. ft. Amoco building, the 470,000 sq. ft., 24-story building with the address 1250 Poydras, and a 150,000-sq.-ft. shopping mall; the International River Center, a 23-acre riverfront project that was inaugurated by the 1,200-room New Orleans Hilton which opened two years ago, and the Pan-American Life Center, a 700,000-sq.-ft., $50,000,000, 27-story office complex.

▪ In addition to Canal Place and Poydras Plaza, new retail space will include a complex of specialty shops and restaurants called Piazza d'Italia.

Outside the central business district, there's plenty of healthy retail activity. New Orleans has five shopping centers with more than 400,000 sq. ft. each where retail space rents for $6 to $15 per square foot.

Together, these centers total more than 4,000,000 sq. ft. and enjoy an occupancy rate of approximately 98%. The Crescent City area also claims 24 shopping centers of between 100,000 and 400,000 sq. ft. each. There is more than 4,200,000 sq. ft. of space in these centers and they have an occupancy rate of 85% to 90%. Rents run between $3 and $13 per square foot.

▪ Demand for office space rests in part on companies related to oil and gas which make their headquarters in New Orleans.

These and other oil companies will undoubtedly use the services of the Louisiana Offshore Oil Port (LOOP)—the nation's first deepwater terminal for crude oil imports.

Scheduled for completion in 1980, the $500-million LOOP will enable supertankers to unload their cargo into storage facilities mined out of naturally-occurring salt domes. One study predicts that within 10 years LOOP will generate approximately $4,900,000 in new plant investments and create 25,000 new jobs.

The offshore activity matches the LOOP's potential. More than 100 wells are scheduled by Louisiana L&E Co. for drilling by the end of 1979. And Shell, working with McDermott, has constructed a drilling platform taller than the Empire State Bldg. to reach the 100,000,000 barrels of oil and the 500 billion cubic feet of natural gas lying in 1,000 feet of water in the gulf off New Orleans.

Oklahoma City

Population	789,400
Rank	50th
Personal income	$5,327,000,000
Income '77 vs. '76	+11.65%

Business is booming in Oklahoma City. While the unemployment rate stays low, building and businesses have been soaring.

Construction is up 6.6% in '79. More than 2,400,000 sq. ft. of office building space is either under construction or being renovated. Industrial and commercial construction is up 10% for the first six months of '79, compared to a year ago.

"The office demand is tremendous," one Oklahoma City businessman said. According to a recent study, the city's office building occupancy rate is near 95%.

By midyear, more than 500 acres of new industrial and business parks were under development. For instance, there is the 180-acre World Airport industrial park, the 160-acre Lakeside Park, the 40-acre Meridian business park and a 14.2 acre Great Plains industrial park.

- KOCO-TV is building a new $2,000,000 corporate headquarters; construction has started on a 14-story, 294,000 sq. ft. Galleria Tower; construction is to be started on the 19-story 344,000 sq. ft. Mid-America Plaza.

Other major office building projects include the 400,000 sq. ft. Texas International Northwest Place; the 215,000-sq. ft. Century Plaza; the 100,000-sq. ft. Sheraton's Century Plaza Mall and the Nichols Hills Executive Center.

Taking advantage of vintage edifices, the city is on a renovation binge, reviving such downtown buildings as the Harbour Longmire building, the Leonhardt building, the Magnolia building and the Midtown Center.

For retailers, Oklahoma City is building four new shopping centers. The largest of these ventures is the Quail Springs Mall, a 1,000,000 sq. ft., 140-store, $20,000,000, 95-acre project expected to be completed in late 1980.

Three other smaller centers (in the 130,000 to 190,000 sq. ft. range) are now under construction.

- And as the buildings go up, so go the rents—now up to $8 to $12 per square foot.

The University of Oklahoma Health Sciences Center has been expanding with the construction of the Oklahoma Children's Memorial hospital and a new parking garage. Plans to renovate the Veterans Administration hospital have just been announced.

While commercial and industrial building may be up, residential building was down for the first eight months of '79. Only 868 permits for single-unit dwellings were issued for that period, as contrasted with a whopping 3,317 a year prior. In the next year, one Oklahoma City business reporter predicted fewer than 5,000 houses will be built.

However, the condo craze sweeping the nation is capturing Oklahoma City. Sycamore Square, with 44 two-bedroom units is being constructed and another eight-story, 80,000 sq. ft. building one block from the Galleria in the central business district is planned.

- Oklahoma City's employment picture has been bright indeed. The August rate of 3% fell below the state average of 3.2% and the national unemployment rate of 6%.

General Motors rolled its first Citations (small car) off its Oklahoma City assembly line last year. The first shift of 2,400 is expected to expand this year.

As predicted, the GM union wage of $8.50 an hour sent tremors throughout Oklahoma City's business community. The UAW was accepted by a 2-to-1 vote, in a basically nonunion town.

In the wake of GM's entrance, wages have gone up in other manufacturing segments of the community. For manufacturing in the city (GM included), the average hourly rate is $6.59. Western Electric, with

Convention visitors to San Antonio may ride a river taxi from their downtown hotels into the Convention Center.

its workforce of 5,000, pays an hourly wage of $8.

There has also been good growth in the retail area with employment up 71,100. While retail sales have been down, "the employment picture has been so darn good," one resident commented.

- The Galleria, the key in Oklahoma City's reclamation of the central business district, has yet to sign its first retailer, according to city sources. In contrast, Sheraton-Century Plaza has more than 100,000 sq. ft. of space rented out to various small boutique retailers.

School openings this fall were delayed with a two-and-one-half week strike by the teachers over a pay issue of approximately $1,000. The board of education obtained a decree from the courts saying the American Federation of Teachers had lost its bargaining powers by waging an illegal strike.

Once the Sooner football season is over, Oklahoma City's blockbuster events are the state fair and the National Rodeo finals. The state fair hosted a record crowd of 1,500,000 persons last summer and the rodeo has moved to the Myriad Convention Center so more spectators can be seated.

In the recreation and entertainment area, Oklahoma City now has a new 1889'ers Harn Museum and Gardens—a pioneer homestead located on 10 acres. Also the fun has been expanded at the city's Springlake Amusement Park. A new park, River Front Park, is now on the drawing boards.

San Antonio

Population	1,037,800
Rank	37th
Personal income	$6,156,000,000
Income '77 vs. '76	+10.24%

San Antonio can be best compared to its river: Steadily flowing, recently urbanized and, in places, deep with potential.

The river with its flagstone landscaped walkway meanders through the heart of the city, offering an oasis of green calm to visitors and residents alike.

Twenty feet above the river, however, the rest of the world has stepped up the pace of what was once a sleepy little town at the beginning of the long cattle drives north.

Three national chains are building 500-room hotels within two blocks of the Riverwalk—and each other—to satisfy the tremendous jump in tourist and convention business San Antonio has seen in the last 10 years. And this business still came tumbling into town even during the worst of the recent national gasoline crunch.

Just down the street, the Rouse Co. has been studying a potential site for a $50,000,000 center-city shopping mall, behind the Alamo, the city's perennial symbol, which would include high-rise office space and condominiums.

Federal grants are changing the face of the city, financing new plazas, walkways and pedestrian malls. Encouraged by the new look, residents are renovating formerly vacant buildings all over town.

Downtown housing is all the rage. Four 1880s-era office buildings are being converted into luxury apartments, while further down the block, several hundred garden apartments, financed by a consortium of downtown banks, are almost totally leased and there is demand for more.

- During the 1970s, attention-grabbing growth areas like Dallas and Houston tended to overshadow Austin. Now San Antonio's mix of the old and new seems to have increasing appeal to corporate executives disillusioned with glutted freeways and smog.

A city of Mexican charm in the midst of modern growth, San Antonio teases Dallas and Houston with advertising telling those cities they should take a deep breath, enjoy life and be more like San Antonio, a place of grace, not haste.

Among those who have expressed enthusiasm about San Antonio is Levi Strauss Co., which recently announced plans for a third manufacturing facility in the area, bringing the company's total San Antonio employment to 2,500—the largest concentration in the country for the apparel giant.

Union Camp Corp. just completed a $10,000,000 corrugated box plant in preparation for more growth from local customers.

Hartford Insurance finished a $3,000,000 regional office building on the north side of town, bypassing Houston and Dallas to handle growing numbers of Texas customers from San Antonio.

Big city convenience in a small city atmosphere is part of the San Antonio attraction. But practical realities favor San Antonio, too.

Two coal burning electrical generating plants recently built by the city utility provide sufficient surplus that the city is negotiating with Mexico to trade extra power for natural gas. Another energy source due to come on line by 1983 is the South Texas nuclear plant.

The area is particularly attractive to labor-intensive industries hungry for low skilled, union free labor. Present wages are as much as 25% below other areas, but they are likely to increase as more companies arrive.

Population remains steadily on the rise, and with it brings more home construction and retail sales. Encouraged by constant increases in retail activity, Melvin Simon & Associates just put the finishing

(Continued on Page 64)

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100 MARKETS

(Continued from Page 63)

touches on a second 1,000,000 sq. ft. regional shopping mall and has purchased land for a third to be built in the next five years.

The Federal Reserve Board's move to make mortgage money more expensive has taken the edge off the local housing market—which had been growing at 35% a year—but the high numbers of local military personnel should lessen the sting of a major recession in home building (one military base pumps more than $1.5 billion into the local economy).

Tulsa

Population	**628,500**
Rank	**62nd**
Personal income	**$4,501,000,000**
Income '77 vs. '76	**+11.72%**

Tulsa continues to enjoy an economy far heathier than the rest the nation, thanks to the increased profitability of the energy business and strong demand in the aerospace and housing sectors.

The SMSA, which includes Tulsa, Creek, Osage, Rogers, Wagoner and Mayes Counties, could boast an unemployment rate of only 3.3% in June of this year—down from 3.8% in June, 1978. Total unemployment in the period was up about 2%, to 289,300. What's more, total personal income increased 15.7%.

And announcements of new businesses and expansions promise to soak up a good portion of the remaining labor pool. A major project includes a $21,000,000 plant and corporate marketing headquarters to be built by Hilti Inc., an arm of Hilti A.G., headquartered in the European principality of Liechtenstein. The complex will employ up to 1,000 in the production and marketing of power tools and fasteners.

▪ Other new industrial development or expansions include:

- A new 130,000 sq. ft., $3,800,000 plant being built by Baker Packers, a division of Baker Oil Tools Co., that will employ about 400.
- International Metal Co.'s $3,000,000 expansion of its metals processing facility, which will create 40 new jobs.
- Oklahoma Gas & Electric's recent announcement of plans to add a third 550 megawatt coal-fired generating unit, to cost $320,000,000.
- Latoka Engineering Co's $500,000 plant expansion to manufacture oil field and chemical processing equipment—an expansion that will create about 100 new jobs over two years.
- International Harvester's plan to build a $20,000,000 plant in Wagoner to produce Paystar heavy duty trucks, where 250 will be employed initially, growing to 600 by 1982.

Other factors promising strong industrial activity include an announcement by McDonnell-Douglas that it will spend $5,400,000 on capital improvements on its Tulsa facility and the award of $20,000,000 in Space Shuttle Orbiter work to Rockwell International's Tulsa division.

The market has also experienced a boom in retail and commercial development and expansions.

Major projects announced in the past year include:

- A $3,500,000, three-building office complex called Koger Executive Center.
- A $1,200,000 Wal-Mart store in Jenks.
- A $47,000,000 project called Kensington Center, which will include a 362-room Sheraton Hotel, a shopping center and a Sakowitz department store in Tulsa, to open in 1982.
- A 37,000-sq.-ft. "super store" to be built by Safeway Stores in the Gilcrease Hills Shopping Center.

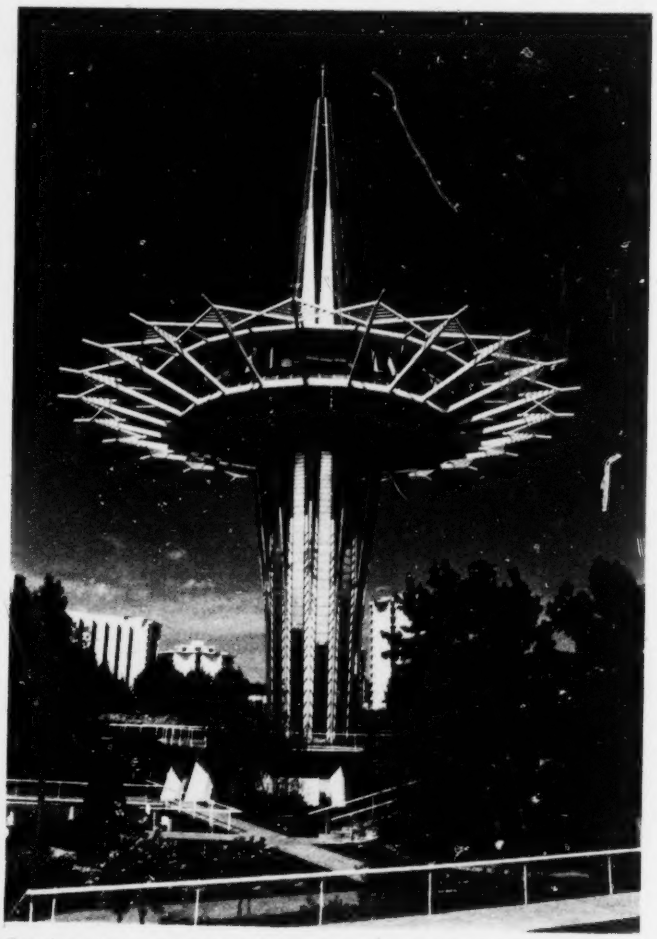
Despite the construction activity, retail sales have not kept up with inflation, with total sales for the first half of 1979 only 10.2% above the similar period in 1978, with the market's cash registers ringing up about $1.36 billion. In the second quarter, however, automotive sales were up 20%.

▪ Air travel, too, was up—about 11%, as the Tulsa International Airport broke a one-month record in July by recording more than 100,000 passengers.

In the housing category, Tulsa continued to show strong growth. In fact, *Housing* magazine rated it "excellent" in every category in compiling its housing demand index.

In the first half of 1979, 864 permits for single family units were issued in the city of Tulsa—a gain of about 2% over 1978. However permits for multifamily units numbered only 372—down about 75%. Nevertheless, the Tulsa Chamber of Commerce expected total 1979 multifamily permits to exceed the 1978 level, with strong growth anticipated in the third quarter.

In 1978, Tulsa ranked 11th in the nation in value of all building permits—$409,000,000—according to a Dun & Bradstreet report, and the chamber of commerce expects 1979's figures to surpass that.



Soaring above the Tulsa skyline is the Prayer Tower at Oral Roberts University.

Mountain

Albuquerque

Population	**408,800**
Rank	**93rd**
Personal income	**$2,649,000,000**
Income '77 vs. '76	**+12.15%**

From the day of its founding 273 years ago, trade has flourished in Albuquerque because of its strategic location along the El Camino Real (the King's Highway). Today its cohesive citizenry of varied ethnic heritages have banded together in support of planned growth, rebutting the criticism that Albuquerque has grown "too big, too fast, too soon."

Local attitudes are typified by Mayor David Rusk, who says the community encourages new business while remaining aware of its responsibility to maintain the quality of life.

Voters, for example, recently approved 11 of 13 bond issues, totaling $36,400,000, for fire protection, water and storm sewers, parks and recreation.

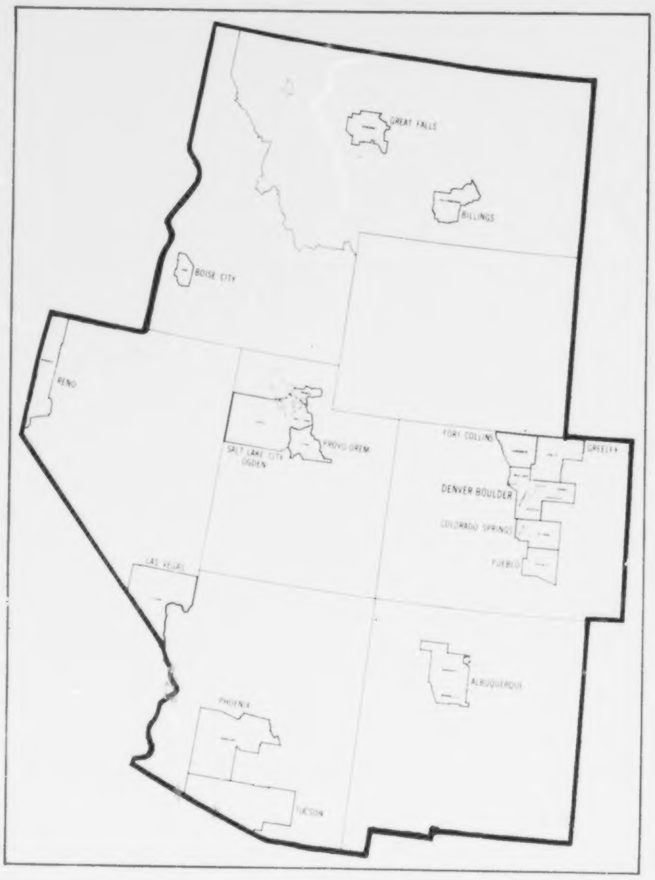
▪ Energy conservation innovations figure in several of the new major construction projects in the area. One project, in which steelwork was completed in mid-1979, is Mountain Bell's new regional center.

It has a unique design that heats the building in cold months by using hot air generated from the normal operations of the company's computers. Officials are contemplating the possibility of sharing the heat with nearby buildings.

Energy management concepts incorporated in the design of the Public Service Co. of New Mexico building call for the hanging of double-glazed windows and fully insulated panels on the outer walls. Heat pumps and huge solar panels would warm or cool the air in the building. Giant pools of water would store energy gleaned from the sun for later use.

Excluding residential building, projects in various stages of planning or completion are Pertec Computer Co.'s 150,000-sq.-ft. plant, Honeywell Inc.'s 100,000-sq.-ft. building and "The Classic," a hotel adjoining the city's largest shopping mall.

DeVore Aviation, meanwhile, has established a manufacturing plant in the city. The Albuquerque Publishing Co., publisher of the city's two dailies, has announced creation of a new industrial park—the Journal Center. It will be the site of the new editorial offices and publishing plant.



▪ Presbyterian Hospital Center, which includes eight other hospitals in the state, in addition to the two in Albuquerque, has begun a $3,600,000 expansion project to add 30 beds at the Anna Kaseman facility and a $22,000,000 construction project at the main hospital.

Elsewhere, Albuquerque International Airport, which serves a city that is one of the most geographically isolated metropolitan areas in America, has attempted to keep pace with current demands.

Today, it provides terminal facilities for Trans World, Continental, Frontier, Texas International and American Airlines. The installation's 13,500-ft. main runway is one of the longest in the nation. Passenger traffic has grown more than 44% over the last five years.

To satisfy current and projected needs, the airport is undergoing a $1,600,000 expansion and renovation program. A new west wing has been added to the terminal building, and three new gates have been provided to serve American Airlines.

According to a 1979 study commissioned by *Money* magazine, Albuquerque's growth potential is the fifth best in the nation. The Bureau of Business & Economic Research of the University of New Mexico projects that the city will have more than 430,000 people by the end of 1980 and more than 634,000 by the year 2000.

Denver-Boulder

Population	**1,504,700**
Rank	**21st**
Personal income	**$11,788,000,000**
Income '77 vs. '76	**+12.64%**

Denver is facing the new decade like a missile poised for take-off. Some urban leaders are ready to launch the fourth fastest growing metropolitan area in the nation into a program of rapid expansion and development, while others promote a more conservative orbit with strict controls on growth.

"The whole western scene is heating up," *Colorado Business* editor Ann Feeny said. The Denver metropolitan area is the center of the action, she added, "and the linchpin is energy."

Recent natural gas discoveries in the Rocky Mountain region added to already thriving oil and gas exploration activities, making 1979 one of the most active years ever, according to the Petroleum Information Institute.

But energy is bringing problems as well as promise to the fast growing Denver metropolitan area: Pollution, inflation and urban sprawl are clouding the city's prospects for a bright future.

▪ While population in the five-county Denver metropolitan area is expected to top 1,700,000 in 1979 (by local estimates), with an unemployment rate of only 3%, the area suffered an inflation rate of 16.4% for the first six months of 1979, the second highest rate of inflation in the U.S.

Despite the high cost of living, shortage of housing and auto pollution that created a brown cloud—a permanent fixture over the mile-high city—out-of-staters flocked to Denver last year, continuing a trend that increases annually.

An estimated 19,000,000 passengers went through Stapleton airport in 1979 and the increasing traffic means the airport is fast outgrowing present facilities.

Even a $10,000,000 expansion of parking facilities currently under construction won't keep pace with airport use, according to Robert Stapp, director of public affairs.

"We're going to have to undergo a major expansion within the next few years," he commented.

Currently 15 airlines service the Denver metropolitan area, with two new additions in 1979: Hughes Airwest and Piedmont.

Local transportation is another major challenge that Denver residents will have to cope with in the 1980s. The city has more cars per capita than any other city in the U.S. and only 2% of all passenger vehicle miles traveled in the Denver area are on buses, according to State Sen. Barbara Holmes (D.-Denver).

The senator complained that commuters make little use of Denver's mass transit system, but disgruntled users of the city's buses responded that the system fails to meet commuter needs.

They pointed to action taken by the Regional Transit District this past summer to conserve fuel. In the midst of a heat wave, the RTD shut off air conditioning on all the system's buses.

But mass transit in Denver could take on a futuristic appearance if suggestions by some members of the RTD board are followed. Eight members visited Calgary and Edmonton, Canada, this fall to study those cities' light-rail transit systems and returned impressed.

"I'm convinced that LRT is on the way," said Howard Beck, acting director and general manager of Denver's Regional Transit District. Projecting a cost of $50,000,000 to put a system similar to the Canadians' into effect in Denver, Mr. Beck said the city could handle the expense without federal funding, using instead a sales tax increase.

- As in most other metropolitan areas, there is a housing shortage in Denver as rising mortgage rates are driving new buyers out of the market and home owners hang on to what they've got.

New housing construction was down 20% this year. "The demand is strong, but local people are postponing purchases," housing consultant William Veio said. "The ones who are hurting are people who are moving in from out of state," he added. This group made up 25% of housing sales in the past five years.

In downtown Denver, the picture is completely different. There hasn't been such a building boom since the Gold Rush. A massive urban renewal project is well under way, with the completion of sales of lots that make up 27 square blocks in the city center.

Developers are planning luxury condominium projects and medium cost apartment buildings for much of the area.

- Construction has begun on the Atlantic Richfield building, a $93,000,000 42-story structure that will be Denver's tallest skyscraper. The building will also house a 622-room Marriott Hotel. Developers Miller-Davis, Denver, and Urban Investment & Development Co., Chicago, have scheduled completion for 1981.

Outside the city, construction began this fall on a $16,000,000, six-story Hilton hotel off Interstate 25 in the Greenwood Plaza complex. Built by Western Group Ltd., an investment combine of businessmen from Texas and Oklahoma, the 312-room hotel on a nine-acre site is scheduled to open before the end of 1980.

The first luxury hotel in downtown Denver in 20 years, the $44,000,000 Fairmont Hotel officially opened in October with an elaborate dinner dance benefit for the Denver Symphony. The 559-room, 26-story hotel is expected to generate $20,000,000 worth of convention business in 1980, according to sales director Tom Kiely.

If all goes according to projections, the Fairmont, which is booked solidly into 1980, will contribute $30,000,000 to the economy of Denver during its first year of operation.

- Another boom in Denver this year was in condominium conversion, according to the chamber of commerce which estimated that 5,500 such conversions occurred in 1979. The apartment vacancy rate in the Denver metropolitan area is less than 2%.

Among recently completed housing projects in Denver is Brisbane Commons, a high priced 11-unit condominium development that combines restoration of a three-story mansion with new construction.

Las Vegas

Population	376,800
Rank	99th
Personal income	$2,783,000,000
Income '77 vs. '76	+14.24%

Despite the gasoline crunch and competition from new casinos opening in Atlantic City, the tourist and gambling oriented Las Vegas economy is expected to show continued growth and stability.

The 3½-mile "Strip" of world-famous gaming houses continues to draw record numbers of money-spending tourists and conventioneers who seem unconcerned about economic woes at home—or that the 5¢ slot machine in Las Vegas is going the way of the Buffalo nickel.

Tax revenue from gaming in 1978 was up 21.7% from the year before. The current year will show further strong growth, officials say.

The gas crunch took a serious toll only for a while; new industry continues to diversify the economy, and the over-all business climate looks bright, apparently unaffected by a taxpayers' revolt in the state.

- The gasoline panic in May prompted a 40% drop in motor travel from Southern California. But even in the face of a brief public relations *faux pas*—insisting gas supplies were fine and along the way to Las Vegas when availability was spotty at times—traffic resumed at near-normal levels by summer.

One lasting fallout of the gas crunch is that more visitors are flying—about 45% of the total, up 6% from pre-gas shortage levels.

Although the city has been served by seven airlines for many years, in the deregulated air travel climate another six air carriers, including Braniff, Continental and American, have joined the ranks.

Southern California still accounts for half of Las Vegas' visitors, which is a major reason local officials feel competition from Atlantic City will have little impact. New Jersey's new gaming city, for the foreseeable future, will pull its trade mostly from regional resorts in the East, say Las Vegas officials.

- Of the city's 11,000,000 visitors in 1978, about 600,000 were delegates to conventions and trade shows.

The Las Vegas Convention Center—a 785,000-sq.-ft., one-level, air-conditioned facility—and 44,000 hotel and motel rooms are two reasons that the city is one of the largest convention centers in the U.S., bringing in $193,000,000 (exclusive of gambling) during 1978.

To broaden its economic base, Las Vegas is attracting what it calls "clean industry" compatible with its resort trade. Warehousing is the major force, and its growth is spurred by several favorable laws, including the state's long-standing "freeport law," which allows national and international companies to store goods destined for out-of-state shipment in Nevada to avoid heavy inventory taxes elsewhere.

Buster Brown Textiles, Levi Strauss & Co. clothing and McDonnell Douglas Corp. established major warehouse facilities in the Las Vegas area in 1978. J. C. Penney Co. is building a 1,850,000-sq.-ft. storage building this year.

Also, General Telephone & Electronics' Sylvania division plans to open the world's largest lithium battery plant in the area in 1980. A 55-acre complex is being developed by Video Entertainment Industries to supply cassettes and discs for the burgeoning home video industry.

- As expanding industry attracts new people—Las Vegas is the sixth fastest growing city by population in the nation—home and shopping center construction has been brisk.

Some $75,000,000 was committed to building a 34-acre, 130-store shopping center called the Fashion Show, which will open on the Strip in 1980.

Schools in Clark County, which includes Las Vegas, are in a $39,700,000 building program.

Southern Nevada's largest single employer in terms of personnel and payroll, however, is nearby Nellis Air Force Base, which has 8,000 military and 1,100 civilian employes. The Las Vegas area also has a large retirement community.

- Nevada is a state where the electorate and legislature are tripping over each other to cut taxes. In November, 1978, voters passed Question 6, an initiative designed to reduce real estate taxes. It needs approval a second time in 1980 to become law.

The legislature, however, passed broader tax-cutting measures, now in effect, which trim other levies besides real estate taxes and limit government spending.

No state or local personal income or inheritance taxes exist, and the sales tax in Las Vegas is 3.5%.

Phoenix

Population	1,293,200
Rank	30th
Personal income	$8,993,000,000
Income '77 vs. '76	+14.25%

Civic and business leaders in Phoenix feared the worst as gas lines lengthened from coast to coast: What would happen to tourism, the Sunbelt City's big attraction?

Gasoline dealers and energy advisers scrambled to secure allocations of precious fuel for the area, while "hotline" numbers sprung up throughout the West to tell travelers where gasoline could be found.

Metropolitan Phoenix resorts went one step farther. They capitalized on an otherwise unfavorable condition by encouraging area residents to vacation at local resorts.

Prices were slashed for weekend jaunts at luxurious resorts, and residents of this Valley of the Sun flocked to such nationally renowned spots as Camelback Inn, Mountain Shadows Resort and Carefree Inn. Room occupancy remained near 90% capacity areawide even throughout the blistering days of 115-degree summer.

- That's just one example of the life style in Phoenix, where people still have the pioneering spirit and businesses are willing to take a risk for their community.

Phoenix, a metro area comprising 11 communities, has grown from a small group of western towns supported by agriculture into a dynamic metropolitan area envied across the nation for its relaxed life style and favorable climate.

Population in Phoenix has grown by nearly 60,000 persons per year for the past several years.

They come for a variety of reasons, including a booming business economy that has yet to show many signs of a slowdown, activities for every age and increasing academic excellence, including Arizona State University, Tempe, with a student population of more than 37,000 for the 1979 fall semester, and a community college system with five campuses.

Businesses and students complement each other with a ready source of talent and an increasing need for young business leaders.

- Business growth is typified by the location of several major companies in Phoenix during the past year or two. Sentry Insurance now has its headquarters in Scottsdale, just northeast of Phoenix. It has more than 700 employes, offering an array of benefits including full recreational facilities.

Manufacturing continues to be the No. 1 income producer for the metro area. In 1978, the dollar increase for manufacturing amounted to $367,000,000, a 15% gain over 1977.

Intel Corp. produces computer memory products and integrated circuits, while General Telephone & Electronics' Automatic Electronic Laboratories researchers are communicating with their colleagues in Chicago by picture-telephone. In all, more than 2,000 companies employ some 90,000 persons in the Phoenix area.

After a 18.6% gain in 1978, retail sales headed for another record year in 1979, with the opening of two major malls.

- Fiesta Mall, the first 1,000,000-sq.-ft. regional shopping mall in the Southeast Valley area, opened Oct. 1 on a 102-acre parcel that will contain 140 stores. Three major department stores to anchor the mall and 70 shops are already open. A fourth major department store, Diamonds, is set to be open in 1980.

A renovation in Tempe is bringing a "mercado," capitalizing on the southwestern flavor of the river town, as well as maintaining a sense of history in more modern surroundings.

Unique shops for every age and interest greet browsers along old Mill Ave. A new department store, Mervyn's, has joined the already impressive list: The Broadway, Bullocks, Diamonds, Goldwater's, I. Magnin, Saks Fifth Avenue, Sakowitz and Joske's.

Banks are located on nearly every corner, with 16 banking institutions represented through 264 branches. Seven savings and loans and 82 credit unions have grown in deposits statewide.

For the sports-minded, there's the Phoenix Suns of the National Basketball Assn.; Arizona State University Sun Devil Football, basketball, baseball, track, volleyball, etc.; Phoenix Giants, a baseball farm team of the San Francisco Giants, and a promise of a Valley soccer team to begin professional play in 1980.

Salt Lake City - Ogden, Utah

Population	842,500
Rank	44th
Personal income	$5,317,000,000
Income '77 vs. '76	+12.36%

Salt Lake City is the star of a newspaper and direct mail ad campaign, "Utah Shines," designed to sell corporate executives in the East and Midwest on the advantages of establishing corporate

(Continued on Page 66)

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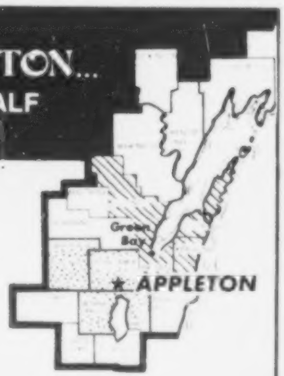

	THE POST-CRESCENT	% OF ADI	GREEN BAY PRESS-GAZETTE	% OF ADI
Counties	4		4	
1978 Population	332,400	34%	250,000	26%
1977 Retail Sales	$1,096,590,000	36%	$795,190,000	26%

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(Continued from Page 65)

headquarters or administrative offices in the Salt Lake metropolitan area.

City and state officials also hope the ads which will appear in the *New York Times* and *Wall Street Journal* late this year will help fill some of the 1,000,000 sq. ft. of office space currently under construction in Salt Lake City's central business district.

Although a study presented to the mayor and city commission by a planning consulting company in September warned of the economic impact of "a glut of office space," most city residents aren't worried about filling it.

Noting the city's unemployment rate of 3.8%, one representative of the chamber of commerce said, "We're already concerned about finding enough people to fill jobs available in the area."

- "I can determine that our economy is healthy simply by looking outside my office window," another city official said. "There's construction going on wherever I look."

The Crossroads Mall, a $72,000,000 office-shopping complex, the major downtown construction project for the past two years, is taking shape with the first office spaces to be occupied in March, 1980, with retail openings planned for August.

A topping off ceremony was held in October for the 20-story tower of the Commercial Security Bank, a Crossroads tenant. According to contractors, Okland-Foulgers Co., the exterior finish of the mall should be completed in December.

Marriott Corp. announced plans to build a $21,090,000 15-story hotel adjacent to the Crossroads Mall. The 480 rooms are expected to be ready for occupancy by April, 1981. Sheraton Hotel Corp. canceled plans announced last year to build a hotel near the mall.

Ground was broken in October for an 11-story, 115,000-sq.-ft. office building for the Utah Bank Corp. and Mountain Bell announced plans to build a 15-story, $29,000,000 regional office building downtown. That project is slated for completion by January, 1982.

- There's also residential construction going on in downtown Salt Lake City, including a $30,000,000 condominium project called The Brick Yard and, in southwest Salt Lake County, an old gravel pit has been reclaimed as the site of a $20,000,000 condominium project by Kehl Inc. Called Stone Hollow, the planned community will eventually house 400 families with two and three-bedroom units in the $45,000 to $80,000 range.

To encourage residents to leave their cars at home and use the mass transit system instead, Utah Transit Authority offered free bus rides during nonpeak hours for the month of October.

Living in an area rich with energy-related natural resources, most people in the Salt Lake City metropolitan area aren't concerned with gas or heating fuel shortages. Instead they're looking at the area as a major supplier of the rest of the country's energy needs in the future.

Power in Utah is produced by coal-fired, steam generating plants and the state has enough generating capacity to export power to other Western states.

- Mountain Fuel Supply, the natural gas utility in the Salt Lake City area, has more gas reserves than almost any other gas utility in the U.S., according to Utah's department of economic development.

Although inflation and high interest rates on mortgages haven't slowed commercial construction in the Salt Lake metropolitan area, residential construction showed signs of slowing down. During the first six months of 1979, there were 9,213 new home starts, compared to 11,880 for the same period in 1978.

While other parts of the country talk of recession and gloom, in Salt Lake City the talk is of tourism on the rise and developments in recreation. Some area residents seem more concerned with weather—will there be snow in time to open the ski season at Thanksgiving—than with the economy.

But it's the ski areas—there are eight major ski resorts within half an hour from downtown Salt Lake City—that have attracted a growing number of tourists to the area over the past two years.

Salt Lake Metropolitan Airport showed increases in passenger traffic of 13% to 17% per month this year, slightly under last year's growth pattern, according to deputy director of operations Tom Greer. He estimated total passenger traffic for the year at 5,000,000.

- The airport got four new airlines this year: Eastern, Braniff, TWA and PSA and is trying to meet increased activity with a construction program supported by $42,000,000 in revenue bonds.

Last December, a new terminal was opened and renovation of the old terminal is under way. Eventually the airport will have five terminals, including bridges to parking structures, Mr. Greer said. The access highway to the airport is also being upgraded, with completion scheduled for 1980.

In nearby Ogden, also part of the Salt Lake metropolitan area, Great Salt Lake Minerals Chemical Corp. opened a new $4,500,000 salt processing plant in October. The plant is the first of its kind opened in the U.S. in the past 25 years.

Bonneville, west of Salt Lake City, will be the site of a $350,000,000 concentrator facility operated by Kennecott Copper Co. Construction will begin on the facility in 1980.

The Utah Symphony Orchestra, internationally known for its concerts and recordings at the Mormon Tabernacle, got a home of its own this year, a $10,000,000 concert hall, part of a $20,000,000 arts complex.

Tucson

Population	461,700
Rank	83rd
Personal income	$2,872,000,000
Income '77 vs. '76	+9.53%

Tucson, the "Old Pueblo," is growing up.

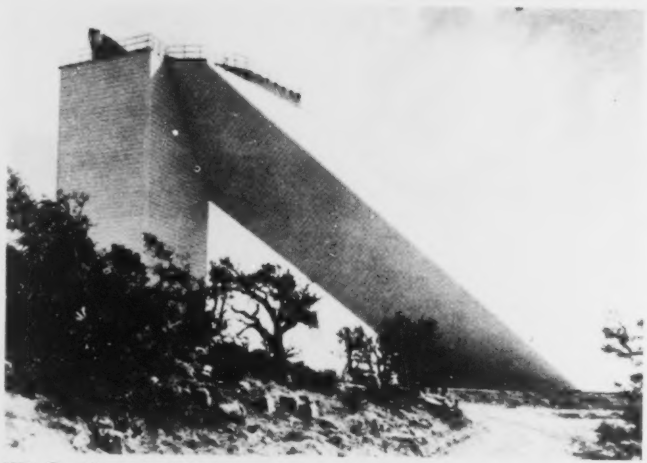
The southwestern city passed the 500,000 population mark in 1979 and earned itself a bigger dot on the maps.

New residents poured in and the housing industry boomed in an effort to keep up with the influx. Building permits for homes and apartments were up more than 50% over 1978.

Luxury apartments complete with tennis and racquetball courts and spas began to fill in the streets on Tucson's east and northeast sides.

Development continued on the north and northwest sides as well and plans were announced for the construction of the Tucson Mall, to open in 1981. The northwest shopping center will be the city's third and largest mall.

- School districts on the outskirts of town struggled to keep up with the steady increase in enrolment they experience each year. New elementary schools are filled the day they open and district officials are busy planning for more bond elections, more land acquisition and more construction.



Kitt Peak's solar telescope, a short distance from Tucson, is a vital instrument in astronomical research.

To the south, International Business Machines began moving workers into a plant that will eventually employ 4,000. Brush Wellman, Veeco Instruments and National Semiconductor Corp. announced plans to locate in Tucson in the near future.

Some of the city's established companies—Hughes Aircraft Co., Gates Learjet Corp. and Burr Brown Research Corp.—are also expanding.

One business that did not fare so well here this year was American Atomics, a company that manufactured tritium-filled luminous components for digital watches and signs. When traces of radioactive tritium were found in the atmosphere surrounding the plant and in a cake from Tucson Unified School District One's central kitchen, the state Atomic Energy Commission stepped in and shut down the plant.

- The controversy gained national attention when Gov. Bruce Babbitt sent in the National Guard to seize the tritium and dispose of it properly.

The gas shortage was kind to Tucson, compared to other parts of the country. Prices were comparatively low, lines were unheard of and many stations were open 24 hours a day and on Sundays.

Air travel into Tucson International Airport increased as gas crisis-wary travelers took advantage of Super Saver and discount fares.

Gas hotlines were established on the local and state levels to spread the word that gas was available.

Motels and hotels, worried that some vacationers might stay at home due to the energy crisis, boosted business with special stay-at-home get-away packages for locals.

Transportation in the city continued to be an issue. The need for a crosstown freeway was again debated, with no solution reached. When a bond election question for road improvements failed in June, the county transportation director succeeded in getting another bond election scheduled for early 1980.

- The Old Pueblo made a name for itself in the sports world when the Tucson Sky became the 1979 International Volleyball Assn. champs. The whole town rallied behind the young team and volleyball gained in popularity as a pastime.

Roller skating made a comeback as a hobby and rental shops did well here, especially near the University of Arizona where many of the 32,000 students skate to, from and sometimes in class.

The UA's basketball and football teams began their second season in the Pacific 10 conference, after what sports fans thought was a decent showing in the 1978-79 school year. Students still wear t-shirts saying, "I was there" when the basketball team beat USC and UCLA at McKale Center, to the cheers of what western sportswriters called "McKale's Navy."

New racquetball clubs and health spas opened up in Tucson, and a bit of California came across the border when Sweetwater Funtubs, a hot tub club, opened in a desert area to the west.

- Plans were unveiled for the opening of Canyon Ranch, an exclusive health resort near the Catalina Foothills northeast of town.

El Con 6, a six-screen movie theater, held its grand opening in conjunction with Tequila Mockingbird, a new Mexican restaurant in El Con shopping center. The new restaurant offers a modern disco version of Mexican eateries, rounding out Tucson's offerings.

Visitors and residents alike with a taste for quality Mexican food can choose to dine in the lush garden settings of El Parador or La Fuente, the unadorned surroundings of El Dorado or the homey atmosphere of El Charro, the downtown restaurant that prides itself with being the "oldest Mexican restaurant continually run by the same family in Arizona."

Pacific

Anaheim-Santa Ana-Garden Grove

Population	1,833,000
Rank	19th
Personal income	$14,616,000,000
Income '77 vs. '76	+14.39%

There's a new bumper sticker showing up on quite a few backsides of the numerous, sleek, Orange County imports these days which reads: "If the Rams are coming, can statehood be far behind?"

Although it may simply attest to the fact that the old Los Angeles/-Orange County jealousies are still alive and healthy, it is also an indication that now that this land o' plenty has made it as a big business center, it's ready to concentrate on nonbeach amenities, namely sports and the arts.

There is no downtown focus for sprawling Orange County as yet. However, the Segerstrom corridor, as it's called, just could carry that title this time next year.

This area, bordered on one side by the newly renamed John Wayne Airport (formerly Orange County Airport), and what is said to be the nation's most profitable shopping center, South Coast Plaza (owned by the Segerstrom family) on the other, will soon house the county's largest financial services complex, which will include three Top 8 CPA firms.

- In addition, this is where Orange County culture seems to be settling, thanks in part to generous donations of Segerstrom farm land. A new, $50,000,000 Music Center, which will house the fledgling Orange County Pops—with Carmen Dragon as conductor—will sit adjacent to the South Coast Repertory Theatre just completed last year.

Officials of the Music Center have worked closely with the Los Angeles Music Center and New York's Lincoln Center to obtain the best in facility and showcase advice.

In Garden Grove, construction is nearing completion on The Village Green Cultural Arts Facility, which includes a $1,000,000 civic theater, the Gem Theatre, the Strawberry Bowl—an outside amphitheatre—and an expansion of the existing Mills House Art Gallery and Museum.

Also going up in Garden Grove is the multi-million-dollar Crystal Cathedral, being built by the Garden Grove Community Church and planned to be the largest glass cathedral in the world.

Nearby, a major new shopping center—Greenbriar—will combine office-professional and residential development, and is slated for construction in early 1980.

Both retail sales and employment are up significantly in this area over 1978, and only 25% of the local businessmen surveyed by the chamber of commerce have felt that the energy crisis has had a major impact on their business. Businesses most hurt seem to be car and recreational vehicle sales.

- Orange County is rapidly becoming a national base for the food services industry, with one of the hottest food service areas in the country.

Companies headquartered here include Taco Bell, Del Taco, Carl's Jr., Far West Services (Coco's, Reuben's and many others), Colony Foods, Der Weinerschnitzel, Jojo's, Alphy's, Spires and El Torito/La Fiesta.

Anaheim is feeling an increased surge in tourist travel since the Angels have staked their claim as near-heroes by winning their first Western division title in 19 years, and the Rams have officially occupied the Big A Stadium.

Restaurants, lodging facilities and entertainment spots near the already congested Anaheim Stadium are springing up left and right.

- Disneyland, Anaheim's longstanding synonym, has also made a few improvements this year, adding the Thunder Mountain roller coaster attraction to compete with its topsy-turvy ride competitors in L.A. county.

Disneyland, will celebrate its 25th birthday in 1980, and executives are anticipating an even bigger tourist season than last year.

The Anaheim redevelopment commission has approved plans for a $38,000,000 mixed-use project to be known as Midtown Anaheim. Proposed are a 15-story, 300-room hotel, a 12-story residential condominium tower, an enclosed shopping mall and an office building. The development will be located near the new Anaheim Civic Center, Disneyland and Anaheim Stadium.

Orange County's largest current retail development—Oakbrook Village—is under construction on a 19-acre parcel adjacent to the already existing Laguna Hills Mall shopping area.

The 200,000-sq.-ft. complex, due for completion in early 1980, is a development of two Newport Beach-based companies, the

LeeSammis Co. and Columbia Investment Co. Tenants will include a Barker Brothers home furnishings outlet, a Victoria Station restaurant, El Torito restaurant and a Bank of Irvine.

■ Industrial expansion continues to create new job opportunities. Beckman Instruments, the county's seventh largest employer, completed a new engineering lab facility at Fullerton.

Near the airport, in the Irvine Industrial Complex, the energy-oriented Gregory construction company has broken ground for a $1,000,000 headquarters. In Newport Plaza Business Park, a $20,000,000, 10-story single-tower office facility—the last major construction in this area— is scheduled for completion in early 1980.

In Fountain Valley, adjacent to Newport Beach-based research and development labs, The Systems Video division of the German-based BASF has moved into the largest built-to-lease facility in the country. Ricoh Electronics, one of 26 Japanese companies in the Irvine industrial complex, has purchased 14.6 acres—a $3,000,000 site.

GTE division of General Telephone, has relocated its administrative offices from Cincinnati to Anaheim, and is occupying an 80,000-sq.-ft. building which will house headquarters operations as well as research, design, testing and marketing for its point-of-service mini-computer systems for the food service industry.

Tungsten Carbide, a division of Smith International, has initiated a $4,100,000 expansion which will permit a 150% increase in production and double employment within three years.

■ The California housing market boom of last year is over. The increase in the average price of an Orange County home is expected to be the lowest annual rate of increase (3.5%) since 1968-69. The inventory of unsold housing units is at its highest point since 1975.

There has, however, been a determined move by several public interest groups and by some builders to concentrate on low-cost housing in Orange County, a move belying the area's affluent new-community reputation of recent years.

Fresno

Population	479,000
Rank	80th
Personal income	$3,268,000,000
Income '77 vs. '76	+7.49%

Although gasoline shortages and a trucker's strike seriously threatened Fresno's agricultural enterprises and its nearby tourism business, the area showed strong prospects of continued economic growth.

After a longstanding battle between real estate developers and those who want to limit Fresno's creeping urban sprawl, construction of seven new shopping centers has begun.

Construction projects include a $2,000,000 Northern Village Shopping Center via Robert Klein Jr., Fisher Land Corp.'s Nursey Shopping Center and Zinkin-Kovacevich's 50,000 sq. ft., $2,000,000 center.

In the last two years Fresno has moved to restrict new construction and concentrate on rejuvenation of the older downtown Fresno areas, but downtown development remains slow.

■ In the past two years, major businesses have opened operations in Fresno (Sharon Bolt & Screw Co. of Ashland, Mass., and Vendo Corp. of Kansas City), but no major companies relocated or opened substantial new plants here this year. However, Sequoia Steel & Supply began construction of a $150,000 warehouse for its stucco manufacturing operations.

But interest in Fresno as an economic hub is continuing. While scrutinizing the cost-effectiveness of service to other markets, due to spiraling fuel costs and the pressures of deregulation, airlines are finding Fresno to their liking. The market experienced an over-all 12.1% increase in air passenger traffic from fiscal 1978 to 1979.

United Airlines plans to introduce nonstop Fresno-to-Chicago direct service this year. Pacific Southwest Airline, Air California, Frontier, Eastern, Northwest Orient and TWA all have filed for CAB permission to serve the Sacramento-Fresno air route.

Frontier Airlines also has filed for permission to serve the Fresno-Sacramento-Denver route. United Airlines recently suspended its Fresno-to-Denver service.

■ Fresno was affected by the gasoline shortage—most visibly in a tourism slowdown in nearby Yosemite, Sequoia and King's Canyon national parks. Although the San Joaquin Valley wasn't included in the odd/even gasoline allocation system, potential park visitors from the San Francisco and Los Angeles areas were subject to the system. The result was fewer Californians traveling the long distances to the parks.

Partly in response to the gas shortage and related problems, the Fresno Chamber of Commerce has begun a tourism development program to establish Fresno as more than just a place to refuel on the way to California's larger cities. The program is designed to develop and restore existing Fresno recreational facilities and initiate new projects. A drive to refurbish Fresno's more interesting old architecture is currently under way.

Fresno's agricultural industry is still its leading enterprise, so the June, 1978, independent trucker's strike was potentially disastrous for the area.

The strike, which protested the rising price of diesel fuel, began at the start of Fresno's packing season. With a shortage of refrigerated railroad cars to take the crops to market, and the prospect of the fruit becoming overripe, Fresno's situation became desperate.

Fresno's city council discussed the possibility of air lifting the crops to market, and there were incidents of violence against strikebreaking drivers. An end to the strike came soon enough to salvage most of the crops without extreme measures, however.

The outlook for Fresno's year end raisin and cotton crops was good due to a long, hot summer season. Last year there was considerable damage to these important crops from unseasonable rains.

Honolulu

Population	719,600
Rank	55th
Personal income	$5,652,000,000
Income '77 vs. '76	+8.11%

The celebration that marked the 20th anniversary of Hawaii's statehood was unusually quiet, perhaps muted by the local sigh of relief that the United Airlines strike and the grounding of the DC-10s didn't completely wipe out the summer tourist season.

Despite the 57-day strike that cost the islands an estimated $1,000,000 a day in losses from anticipated business and subsequent economic losses from the DC-10 groundings, tourism for 1979 is still ahead of 1978 by almost 8%, according to Jerry Panzo, director of information for the Honolulu Visitors Bureau.

"Because both setbacks took place in a non-busy season, there was a lot of shifting and reorganizing," Mr. Panzo said. "All things considered, we're doing very well for the year."

Visitor arrivals for the first quarter of 1979 outpaced the previous year by 11% and, seeking to build momentum after the strike, the Visitors Bureau mounted an ad campaign in eight metropolitan newspapers on the mainland.

■ Offsetting the economic losses to tourism was a continued boom in real estate and construction that put completion of new buildings in excess of $1.1 billion for the year, according to the Bank of Hawaii's annual economic review.

Encouraging developers in Honolulu was a bill passed by the city council (over the veto of Mayer Frank Fasi) to allow increased density for apartment building. Waikiki Beach is under a special design district ordinance and is not affected by the new law, but the Punchbowl historic district will see density limitations relaxed slightly.

The Bank of Hawaii predicts that within two years high-density construction will ease on Oahu, but will be very active on the neighboring islands. For example, on the island of Hawaii, the Kainalu Development Corp. is adding 117 units to its Keauhou-Kona Surf & Racquet Club, and all were sold before the ground was broken.

Building costs continued to spiral upwards, with a 9.8% construction cost index increase for the first four months of 1979 recorded over an 8.9% increase for 1978.

■ Economists for the Bank of Hawaii expressed fears that future single-family residential construction will be severely hampered by both construction costs and the prohibitively expensive price of land. Property on which to build a home costs between $50,000 and $100,000, up to 50% of the total cost of a home in Honolulu.

Hotel and condominium construction, however, continues to boom. Hilton Hotels Corp. announced plans for addition of a $75,000,000, 35-story tower to its Hilton Hawaiian Village complex on Waikiki Beach. When completed in 30 months, the tower will add 1,056 rooms to the resort complex.

The 75-year-old Halekulani Hotel closed Sept. 30 to undergo a $30,000,000 renovation and will reopen in two years with 489 rooms including a 14-story building.

But the future could be bleak for the 52-year-old Royal Hawaiian Hotel, despite support from island preservationists. Controversy over the fate of the famed old hotel was stirred up when a representative of the owners, Kyo-Ya Ltd., a Japanese company that bought the Royal Hawaiian from Sheraton Hotels in 1974, wrote the Historic Places Review Board opposing its listing as an historic site. He also said the old hotel was "becoming functionally and economically obsolete."

■ Another Waikiki landmark, the Waikiki Theatre built in 1936, has been slated for demolition and on the island of Kauai, the two mountain stream slides, one natural, one man-made for "South Pacific" were closed in mid-1979 because of accidents.

And the authentic island taste of Primo beer will never be the same for its fans—the brewery which was acquired by the Jos. Schlitz Brewing Co., Milwaukee, closed its Waimalu operations and is now producing Primo in Los Angeles.

Shopping complexes are springing up throughout Honolulu, with the recently completed $25,000,900 Waikiki Shopping Plaza augmented by construction of a $35,000,000 Royal Hawaiian Shopping Center.

Honolulu residents are experiencing indirect effects of the energy crisis and inflation problems—both are cutting into discretionary spending by tourists.

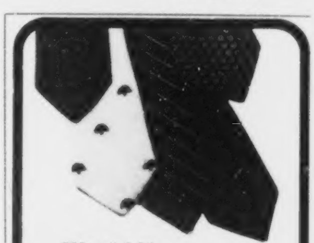
Availability of gas is not a problem on the Hawaiian islands, "as long as you're willing to pay through the nose for it," one Honolulu resident complained.

Los Angeles-Long Beach

Population	7,080,900
Rank	2nd
Personal income	$59,267,000,000
Income '77 vs. '76	+11.12%

Continued expansion of the aerospace industry produced more jobs

(Continued on Page 68)



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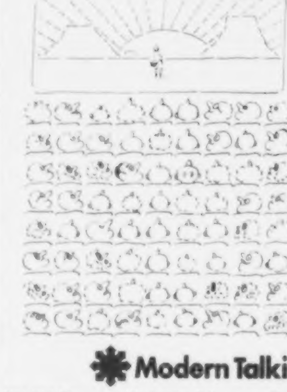

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78,507 Daily
85,628 Sunday

How does a market ranked only 100th in population show up as 34th in retail sales per household? By having a corresponding rank in Consumer Spendable Income of 39th. The Las Vegas metro C.S.I. of $20,833 is the highest among the next 15 larger markets. Four of them are well known high growth Sunbelt metros. Las Vegas' own Sunbelt in-migration is at the rate of about 2,500 people per month. So it should come as no surprise how fast retail sales are rising. In 1978 they jumped up 17%. This year's gain is 18%. Next year . . . by the way, are you in this market?

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(Continued from Page 67)

and brought a new miniwave of population growth to the Los Angeles-Long Beach market, but a cutback in new housing starts made it tough for newcomers in a market already short on apartments and reasonably priced homes.

Through the first-half of the 1970s, Los Angeles-Long Beach lost population in some years and hovered around the 7,000,000 level in others. But over the past year or so, the area's population inched up to a 1% growth rate and economic researchers see that continuing.

They point to a surge in aerospace growth that has had a beneficial ripple effect through many related technological industries.

As an example, this year Boeing of Seattle, the world's largest aircraft manufacturer, dealt out subcontracting work to Los Angeles and Long Beach-based suppliers totalling an estimated $5 billion, much of it to Lockheed, which in turn subcontracts to smaller specialists in the market.

In addition, McDonnell-Douglas' role in the space shuttle project was expanded and suppliers down the line have added work from that.

▪ The theory has been put forth that Los Angeles-Long Beach fell back to second place behind Chicago in retail sales last year because the high cost of housing in the West Coast market cut back consumer spending on other things.

Reseachers say this may be as important a reason as any for the Los Angeles retail sales total amounting to $29.7 billion (up from $26.9 billion in 1977) compared with No. 1 Chicago's $30.3 billion in retail sales last year.

Part of the shift in retail sales ranking is attributed to a surge in auto sales in the Chicago market that outpaced auto sales in Los Angeles-Long Beach, the traditional leader in this category.

One thought on this came from a sales statistics source at the Los Angeles Area Chamber of Commerce. He said one possible reason is that Chicagoans bought bigger cars resulting in a bigger total sales figure while Los Angeles-Long Beach continued its preference for smaller cars.

There was also mention of a shortage of popular small models which is understood to have sent buyers to neighboring Orange County and the Riverside-San Bernardino market. But for the most part Los Angeles-Long Beach economic researchers find the development puzzling.

▪ It was noted by others studying the market that when the gasoline shortage struck last spring it hit first in Los Angeles-Long Beach and car sales generally were off in the market for weeks afterward as the area recovered from the jolt of blocks-long gas lines.

Sobered by the experience, community leaders kept pressure on local governing bodies and the odd-even system of dispensing gasoline stayed in effect in Los Angeles-Long Beach even after other parts of California abandoned it.

The vote on letting drivers go back to their old ways was close, however, indicating that even this mild form of rationing is a tough matter for officeholders to face in a market where gasoline has been the economic lifeblood.

Areas in which Los Angeles-Long Beach remained on top in retail sales included spending on entertainment (primarily eating out) and furniture.

▪ Final agreement on holding the 1984 Olympic Games in Los Angeles provided local leaders and economic forecasters with food for upbeat speculation—and a few solid indications of the growth the games are expected to generate.

An increase in inquiries about long-range construction of new hotel space has been noted by the LAACC, which attributes some of this interest to the Olympics and some to a general need for more visitor accommodations because of increased convention activity in the market.

Having a negative impact on growth of the market so far are new rent controls that have resulted in a decrease to virtually zero in the number of applications for permits to build new apartments.

There is continual pressure for revisions that would encourage continued investment in this area, and local officials have been sounding conciliatory on the subject.

They have toughened their stance on conversion of apartments to condominiums, however. The practice had made quite a few millionaires overnight while driving many fixed-income apartment dwellers into substandard housing or out of the market altogether.

▪ The population mix continued to change, with Hispanics moving toward a majority in some areas and Anglos becoming a minority in the central city and some neighboring sections and increasing their numbers elsewhere.

Predictions that the city of Los Angeles, which is in the center of the market, will be a city of minorities soon (estimates on illegal aliens in Los Angeles indicate it may already be) don't seem to have dampened local enthusiasm about the market's future.

The median family income this year is expected to be close to $19,500, compared with $10,972 in 1970. This is no cause for celebration given inflation over the period, but neither has it slowed down commercial growth in most sections of the market.

Oxnard-Simi Valley-Ventura, Cal.

Population	484,500
Rank	79th
Personal income	$3,119,000,000
Income '77 vs. '76	+12.97%

Southern California's Ventura County, known as the Oxnard-Simi Valley-Ventura SMSA, continues to absorb the spillover population from neighboring Los Angeles and the San Fernando Valley.

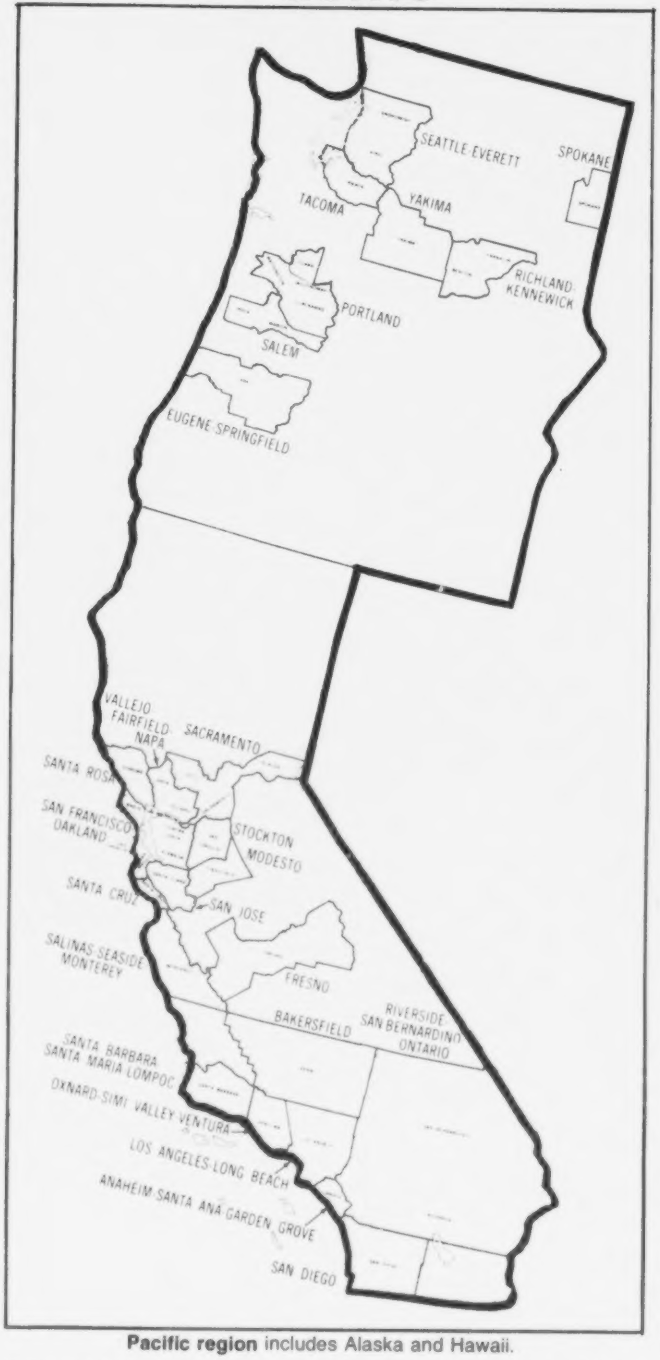
Since 1970, Thousand Oaks has been the boom town, with an 85% population growth. Now stringent land developing policies are forcing developers to look elsewhere, and nearby Simi Valley is becoming the hot growth area.

A review committee in Thousand Oaks is updating the city's general plan and resisting pressure for hillside development. Three major projects are avoiding these land issues, however. They are the 850-acre Donielson Ranch, and the 2,300-acre Dos Vientos Ranch on the southwest side of the city and the 1,850-acre Metro-Goldwyn-Mayer ranch on the north side.

▪ The retail trade boom in Thousand Oaks, exemplified by the opening of the Oaks regional shopping center and numerous other retail outlets, parallels growth in residential construction. Oaks retailers alone increased the city's business license revenues by $356,000 last year.

But there is a feeling among some that the Thousand Oaks planning commission is "treading water and standing still." So it goes that a Downey, Cal.-based builder, the Mayer Group, recently changed its plans and selected Simi Valley for residential and commercial development.

Pacific



Pacific region includes Alaska and Hawaii.

Purchased for $9,000,000, the site is on a portion of the Indian Hills Ranch. Plans call for the building of nearly 800 homes there within the next five years, with about 95% of the new owners coming from Los Angeles, the San Fernando Valley and other areas of the Simi Valley.

The Mayer development is only a sample of the activity in Simi Valley. The area has 11 industrial and 35 commercial projects in various stages of construction, and—at midyear—49 residential projects approved but unbuilt.

Among the 19 new commercial projects being reviewed by city planners is a five-building shopping center at Tapo Canyon and Cochran St. with 90,606 sq. ft. of retail space and 50,000 sq. ft. of offices.

One attraction is the Pacific Ocean, which provides the southwest border of the SMSA, and offers 42 miles of coastline where Oxnard and Ventura, the county's most densely populated communities, are located.

▪ Oxnard points with pride to its Channel Islands Harbor, its many recreational facilities and the nearby residential and commercial developments that have made the south county shoreline an attractive place to live.

Located on some of the best agricultural land in the world, Oxnard developed as a farming town. Ventura County ranks 11th among California's 58 counties in agricultural development, and the Oxnard Plain, with its lemons, avocados, strawberries, flowers and vegetables acounts for more than 20% of the county's output.

▪ Oxnard also is headquarters of the plants and offices of many major companies, including several closely tied to agribusiness. While the dollar value of building permits has been down in recent years, total housing starts for 1979 are expected to equal or slightly exceed those of 1978.

Oxnard is served by two regional shopping centers, several smaller centers and the downtown shopping area.

▪ Current expansion on the retail front includes adding another 48,750 sq. ft. of space to the Crossroads Center complex and complete remodeling and enclosure of a formerly open mall shopping center. The latter facility, to be named Center Point Mall, will have a relocated J.C. Penney store as one of its retail outlets.

City planners also have approved development of a Zody's department store and other shops totaling about 138,000 sq. ft. Also approved is a 14-story office and commercial construction for the downtown redevelopment area for which ground bearing is scheduled to take place in February.

Fuel shortage has a mixed effect in this area. Tourism flourished as Los Angeles residents discovered they could have smog-free holidays for less than a tank of gas, round trip. But shortages of petrochemical fertilizers and insecticides worried the agricultural sector, and rising fuel prices brought the threat of potentially disastrous truckers' strikes.

Nearby Camarillo has also had a surge of growth, with an influx of residential buildings and an increasing number of light industrial plants. Among the city's newcomers have been Playtex and Clairol, joining 3M (1,000 employes), the SMSA's largest employer with the exception of the military.

▪ The Navy commands at Port Hueneme and Point Mugu, headquarters of the Pacific Missile Range, have a combined civilian and military work force of 16,000, with a payroll of $221,000,000 a year.

The past year saw traffic at Port Hueneme, the only deep water port between Los Angeles and San Francisco, threaten to outgrow existing facilities.

Del Monte Banana Co. began importing two shiploads of product from Central America each week, adding to other port activities, which include off loading of imported Mazda cars for 11 western states and serving as a support facility for intensified offshore oil explorations.

▪ In Ventura, the county seat, a carefully devised phasing plan has been implemented to ensure orderly growth. The city has also developed hillside building regulations and an open space plan to protect the quality of life for its residents. Basically a residential town, Ventura has had an upsurge of new condominiums, apartments, mobile home parks and housing tracts.

Much of downtown Ventura has been designated a redevelopment area and several renovation projects have already been completed.

Recreation-oriented Ventura is also in the first stages of a plan to develop Ventura Harbor to make full use of its waters and surroundings.

A large hotel, restaurants and a shopping village are some of the additions that have been planned. The city averages 55 conventions a year, accommodating up to 15,000 delegates in its hotels. Last year, Ventura's 11,000 hotel rooms brought in tax revenues of $248,000, up from $50,000 just four years ago.

Portland, Ore.

Population	1,140,100
Rank	34th
Personal income	$8,832,000,000
Income '77 vs. '76	+12.2%

The headlines in Portland, Ore., should read: "The Canadians are coming."

Canadian-proposed commercial and industrial development totaled more than $300,000,000 for the first quarter of 1979—and that's just the beginning of the reverse gold rush.

Cadillac-Fairview proposes to transform four downtown city blocks into a new $1,000,000 retail/-office/hotel complex. The core area office buildings under construction are Canadian-financed. An $80,000,000 to $160,000,000 office/-retail complex is on the drawing board; so is another downtown 19-story office tower.

Canadian dollars have purchased a 152-acre residential development in suburban Lake Oswego; several tracts of property prime for residential construction in nearby Gresham; 3,000 acres east of Vancouver, Wash.; a frozen food processor in Washington County, and a prominent downtown apparel store, warehouse space and prime motel development site in Portland. And commercial brokers are rumored to have Canadian investors in the wings.

▪ Over-all, approved projects will add 1,400,000 sq. ft. to Portland's office space over the next three years—but the anticipated occupancy rate will be the same as 10 years ago—95%.

The dynamic growth of downtown has been accompanied by squeezing out elderly, low-income people occupying low-rent hotels and apartment houses.

Eye-openers for newcomers are the red-brick transit mall, in the heart of Portland's retail-office core, with its widened sidewalks, plantings, sheltered benches and disputatious art, and site of the three-day annual Artquake, and mile-long Waterfront park, along the Williamette River, where 1979's NeighborFair drew 400,000 people.

Portland's Chamber of Commerce expanded its support of cultural activities, with awards for business support of the arts and for the enhancement of art education in the schools.

And newcomers were aplenty. Net immigration in the past eight years jumped 72% and projections for the next decade show no easing in the flood of pilgrims. In total population, Portland declined slightly, but suburban Clackamas, Washington and Clark (Washington state) counties swelled, with developers madly swapping rich farmlands for housing and industrial developments.

For newcomers without backpacks, the 502-room Marriott Hotel will open in 1980 and several downtown hotels are in the talking stages, giving the town future convention muscle.

Despite rapid growth, Portland was ranked first nationally for its over-all quality of life in a study commissioned by the Environmental Protection Administration. Employes of Georgia-Pacific, whose corporate headquarters will be moved to Atlanta in 1983, are already debating the merits of a good job *vs.* a good life.

Biggest manufacturing work gains continue to be made in the electronics and electrical products area and will rise more sharply when Wacker Siltronics of West Germany begins operations next year and new California plants are settled.

Up from Santa Clara's "Silicon Valley" have come Maruman Integrated Circuits, to build a $10,000,000 plant in east Multnomah County starting in spring, 1980, the first major electronics high technology development east of the Williamette, and Intel Corp. to construct a plant employing 2,000 at Hillsboro. Hometown Tektronix opened a $35,000,000 Micro Electronics plant at Beaverton.

As downtown Portland continued skyward and its retail face changed—Marshall Field-owned Frederick & Nelson purchased Lipman's department store, among other takeovers—the over-all picture was mixed.

Nonagricultural employment during the summer increased 3.6% over a year ago, but unemployment rose 13.3%. Average weekly earnings in total manufacturing increased 11%, but inflation went up 14.2%. New small shopping centers growth accelerated, but the giants slackened pace.

Within a hour's drive of Portland, Ore., is Timberline Lodge, an all-year vacation resort popular with conventioneers.

The massive hydroelectric power base helped keep energy costs down. Nevertheless, there were soft spots in the economy. Summer tourism was off 25%, reflecting gasoline shortages. New passenger car registrations dipped 6.5%; trucks and buses were off 17.2%. Construction of single family homes was down 24% and multifamily units down 16.5%. Sales of both new and used homes lagged.

Portland's share of the West Coast ship repair business approaches 50%, and it continues to extend its lead over Seattle as the largest distribution center in the Northwest. The boom in auto imports, which has hurt the U.S. economy elsewhere, was good news on the Portland docks.

Riverside-San Bernardino-Ontario

Population	**1,385,400**
Rank	**27th**
Personal income	**$8,380,000,000**
Income '77 vs. '76	**+12.42%**

The Riverside-San Bernardino area, although one of Southern California's most rapidly growing industrial regions, is also the home of several of the most popular resort and recreational areas in all of California. As a result, the market is feeling the energy crunch. It's also taking steps to ease it.

The mountain resorts of the Big Bear Lake ski area, comprised of Snow Summit, Gold Mine, Snow Valley and Green Valley, have launched joint advertising campaigns pushing the area's new charter bus routes in hopes of letting Southern California skiers know that this year it will be cheaper and easier to go skiing.

The resorts have scheduled same-day bus service from six Los Angeles and Orange County shopping centers to the various ski areas for $23 round-trip.

▪ As ski resorts in the area are notorious for selling out tickets and disappointing many would-be visitors, the new bus program will allow skiers to confirm availability of tickets and purchase them at Southern California Ticketron locations.

The resorts are a major source of revenue to the market and a boon to local small businesses who don't seem ready to let the high price of gasoline pull away business without a fight.

Another major recreation-related industry, recreational vehicle manufacturing, is already hurting, however.

Riverside is the nation's largest manufacturing area for recreational vehicles, with two of the industry's largest plants, Fleetwood Enterprises and Golden West, both located there. Figures were not available for the year but sales have been widely reported as dropping fast. Despite job losses in RV manufacturing, total employment and retail sales figures are up in the Riverside area, where 1,800 new jobs were created during 1979, and total dollar volume sales were up 50%.

▪ Housing and commercial construction in the area have both slowed considerably, with only a 5% increase in home and construction. But the industry-laden area has seen even more businesses moving into the market this year than in 1978.

Newcomers include Pepperidge Farms, Hartz Mountain, Schneider Fine Foods, Arlington Heights Packing, Cunningham Mfg.'s Magnetic Pulse division and a Toro Mfg. plant expansion.

A major downtown shopping mall, Mission Square, was also completed this past summer.

In the San Bernardino area, retail sales are up 14.2% over the last year, with less than a 2% increase in employment. Numerous housing projects are still pending throughout the market due to several building moratoriums.

For the first time in the history of San Bernardino County, mineral production exceeded agricultural production, with mineral production accounting for 34% of California's total. Six mineral producing companies are currently in or planning major expansions, modifications or plant updates.

Sacramento

Population	**951,000**
Rank	**39th**
Personal income	**$6,617,000,000**
Income '77 vs. '76	**+11.92%**

Against a stable economic background, Sacramento experienced highs and lows in other areas in 1979, ranging from a national championship winning sports team to a sex crime scandal that rocked the city's leading hospitals.

The city celebrated the victorious homecoming of its professional soccer team, the Sacramento Gold, from the playoffs of the American Soccer League Championships in Columbus, O., Sept. 16. It was the first pro title since the Solons baseball team captured the Pacific Coast championship in 1942.

The Gold enjoyed larger crowds at its home games than any other team in the ASL, with a season attendance of 72,561. The enthusiasm of the crowds, however, did not spill over into support for a new stadium.

A measure to allow private financing and construction of a

(Continued on Page 70)

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(Continued from Page 69)

$20,000,000 stadium with seats for 30,000 was narrowly defeated, 19,000 to 18,000, in municipal elections Sept. 25.

It was the second time within recent years that a stadium issue was defeated, despite support by the Sacramento Sports Assn., a coalition of local businesses.

▪ The biggest news story of the year involved a Sacramento physician-anesthesiologist who was convicted of sexually molesting female patients. The incident prompted revamping of the governing boards of Sutter General and Memorial Hospitals, two of Sacramento's largest institutions.

The best economic news the city received in 1979 was Hewlett-Packard Co.'s announcement of plans to build an electronic assembly plant in suburban Roseville, which is expected to provide jobs for 4,500 people by 1983 and 22,000 by 1995.

Hewlett-Packard's plant will be a substantial impetus to make Sacramento one of the state's fastest growing regions in the 1980s, according to a study by the Center for Continuing Study of the California Economy, Palo Alto.

The center also predicts an increase of 7,000 jobs in paper, publishing, rubber, plastics, metals and electrical machinery during the 1980s.

▪ New interest was focused on the downtown mall with the opening of a 16-story Holiday Inn with 370 sorely needed rooms to supplement the city's convention center.

Other additions to the downtown plaza included a Weinstock's department store and the start-up of construction on a Liberty House department store, scheduled for completion in 1980.

The 10 square block renovation continues, with the two remaining lots up for bidding in September.

Construction was expected to begin in late 1979 on a 17-story office building that includes a five-story parking garage. Owned by the Canadian Daon Corp., the building will be located next to the state Capitol building.

The California Farm Bureau will occupy a new 160,000 sq. ft. building in early 1980, moving its headquarters from Berkeley to Sacramento.

The major housing project in the city in 1979 was construction of the 15-story Broadway Towers adjacent to the downtown plaza.

▪ In the suburbs, housing construction continued amidst a booming real estate market. As in other California communities, housing prices soared, though the average price for a Sacramento area home, $63,888, (as of the end of summer) would be considered a super bargain by househunters in the San Francisco Bay area.

Because the Sacramento economy lacks a strong industrial base, it was not seriously affected by energy related problems in 1979, though most of the 19 major industries located in the area reported they are concerned about the future supply and cost of energy.

Gas station owners were the most vocal and vehement protestors of the energy situation, with local participants in the California Service Station Assn. threatening to shut down over the Labor Day holiday weekend. The gas dealers were protesting gasoline profit ceilings, but a Superior Court injunction effectively thwarted the shutdown.

Unemployment in the Sacramento area was at 7% in July of 1979, an improvement over the 8.1% unemployment rate for the same period in 1978.

"There still are too many youths and minorities unemployed," said an official at the Sacramento Chamber of Commerce, who also mentioned unemployment problems among clerical workers.

The state government provides 30% of Sacramento's employment and Proposition 13 cutbacks resulted in loss of jobs for some 5,500 people.

San Diego

Population	1,743,600
Rank	20th
Personal income	$11,899,000,000
Income '77 vs. '76	+12.04%

In 1979 the only word for San Diego's economy was booming. How long it will last nobody knows.

The boom sprang from many sources: A strong upsurge in aerospace and related high technology industries, and also from growth in computer and electronics manufacturing.

And there was a proliferation of small plants, retail outlets and new buildings to house them.

While many cities lost population, San Diego continued its annual growth of 3% to 4%, which stimulated business, especially retailing.

But the expansion put pressure on demands for business and residential quarters, and real estate prices became depressingly high.

▪ The single most important thing that happened in San Diego in 1979 was the improvement in manufacturing related to the boom in aerospace, according to the financial editor of the *San Diego Union*, Donald C. Bauder.

According to Mr. Bauder, the aerospace boom "really helped to buoy employment. It also gave a boost to aerospace high technology manufacturing. Their strength has been the really big positive surprise we've had."

He cited Rohr as a prime example of a company that is going great guns today. But two years ago it was close to bankruptcy. Committing too much of its corporate resource to land transportation, it lost hundreds of millions of dollars from BART in San Francisco and Metro in Washington, D.C. After taking its lumps, the company returned to aerospace.

San Diego registered major employment gains, largely by going after companies and inducing them to locate here. Among them was the Signal Cos., whose corporate team is moving here from its Beverly Hills headquarters.

Another big one is Oak Industries, which was attracted by the prospect of being near the University of California at San Diego, where its research and design facility can take advantage of scientific resources. Aerojet General also will move here.

▪ Another major Japanese company came to San Diego, as Sanyo bought 19 acres in a Kearny Mesa industrial area, built a 300,000 sq. ft. plant and in July of 1979 began producing audio equipment, basically stereo components.

Production of refrigerator units was launched three months later. Employing 400 persons, the plant is gearing up to produce some 200,000 units, both audio and refrigeration, in 1980.

Sony led the Japanese influx in the early 1960s and now produces 500,000 color television sets annually at its 750,000 sq. ft. plant in Rancho Bernardo, next door to the NCR Corp., plant, where the company's main computer frames are made for its world market of banks and retailers.

Sony has 1,400 employes, fewer than 4% of whom were transferred from the Tokyo office.

Fujitsu, of Japan, has completed negotiations with the city to acquire a plant to manufacture semiconductors. The plant would offer about 650 jobs initially and up to 1,000 eventually.

▪ San Diego's employment roles in the health industry are growing, with some new companies beginning operations in the eye care manufacturing field. IVAC and Imed are well established.

The relatively new 811-bed U.S. Veteran's Hospital has devoted one entire floor to research, and draws on the University of California Medical School next door.

The U.S.Naval Hospital in Balboa Park is getting ready to build a larger hospital. The hospital currently serves 343,000 eligible Navy personnel, dependents and retirees in the San Diego area, and trains 40% of the Navy's entire medical staff.

Tourism, which is one of San Diego's three largest industries, suffered a setback in 1979 due to the gasoline shortage and price rise. Resort hotels and Sea World were hardest hit. But business perked up again as the summer moved along.

▪ One of the year's biggest problems for San Diego (though those in the business view it on the positive side) was the rise in property prices, to levels above the national average.

The biggest development in the transportation picture is a projected $86,000,000 "Tijuana Trolley," the 16-mile rapid transit line from the Mexican border to downtown San Diego.

The transit board of directors hails it as an economic link between the U.S. and Mexico that will grow in importance as Mexico emerges as a world petroleum power, and as more dual industrial plants spring up, with corporate headquarters on the U.S. side and manufacturing operations on the Mexican side.

Controversy is swirling about a huge civic project, the Centre City Development of Horton Plaza. It is a redevelopment of a seedy downtown area that will focus on a big shopping center and later will include a convention center, new hotels, a restaurant and entertainment complex. The city would have to advance about $35,000,000 to be repaid by the Centre City Development Corp.

San Francisco-Oakland

Population	3,183,800
Rank	7th
Personal income	$29,467,000,000
Income '77 vs. '76	+10.20%

San Francisco lost one of its major tourist attractions, the cable cars, when the system was shut down after Labor Day weekend, being judged unsafe by the Public Utilities Commission.

The cable cars are a national monument and the city is applying for $32,000,000 in federal funds to restore them. Meanwhile Chevron USA lead off corporate contributions to repair the cable cars, presenting Mayor Dianne Feinstein with a check for $1,000,000.

Tourists who arrived in San Francisco for an Indian summer visit were disgruntled and businesses at the end of the cable car lines, especially street performers, suffered.

A street vendor who sells peacock feather barettes at $10 each complained that sales were down from 25 to 10 a day and a magician who normally passes the hat among crowds to the tune of $60 a day had his take cut in half.

▪ Despite the temporary loss of the cable cars, tourism is expected to hit an alltime high in San Francisco this year with predictions by the head of the Convention & Visitors Bureau that last year's record of 3,200,000 visitors and convention delegates would easily be exceeded.

Robert Sullivan, general manager of the bureau, said that by the end of September there were already more than 2,880,000 visitors and delegates. Since the cable cars weren't shut down until after the height of the summer tourist season, this year's totals won't be affected, he said.

It has not been a good year for transportation in the San Francisco Bay area, which suffered from the 50-day United Airlines strike in the spring and a no-end-in-sight work stoppage by employes of the Bay Area Rapid Transit (BART) system that began Aug. 31.

BART's employes and management are at loggerheads over a cost of living escalator clause in the union contract. When the trains from the East Bay stopped running, some 165,000 commuters jammed buses and street cars in the city and snarled traffic on bridges when they substituted their cars for mass transit.

United Airline's strike had a strong impact on San Mateo County south of San Francisco where the airline is the largest employer with 13,000 employes and an annual payroll of $350,000,000.

▪ Once the United strike was settled, the new $100,000,000 North Terminal, which has the airline as its major tenant, opened at San Francisco International Airport. Financed by revenue bonds and an additional $40,000,000 expenditure by the airline, the new terminal is handling about 12,000 passengers per day.

Traffic was up for the airport this year, with a total of 23,849,415 passengers in and out for the fiscal year ended June 30, a gain of 11.3% over the previous year.

With the new terminal, the airport's capacity is estimated at 31,000,000 passengers annually. A new 7,000 space parking garage adjacent to the new terminal is due for completion by the end of the year.

A 16-story air traffic control tower received approval by the Airport Commission, with construction on the $6,000,000 tower to begin in August, 1980.

▪ At Pier 39, the city's newest shopping and restaurant complex, there were clowns carrying picket signs instead of balloons this fall. The clowns, who performed and sold balloons to tourists all summer, were protesting their eviction by developer Warren Simmons.

Mr. Simmons said that Pier 39 had always intended the clowns' tenancy to be temporary and that Pier 39 was planning to get into the balloon selling business itself.

A waterfront neighbor representing the old Port of San Francisco, the Ferry Building at the foot of Market Street, is the object of a $35,000,000 restoration project.

The Ferry Building with ft. campanile clock tower been used as the transportation hub it once was since the last automobile ferry to Oakland ceased operations in 1940.

Among proposals for future use of the Ferry Building are a visitors center, museum and shopping plaza.

▪ The Port of San Francisco welcomed the first ship from the People's Republic of China in October when the Zhi Hai sailed through the Golden Gate before taking on a load of corn in Sacramento.

It was an election year in 1979, and the list of candidates gives credence to San Francisco's image as a metropolis where everything goes. Mayor Dianne Feinstein went into the November 6 free-for-all the supposed favorite over Quentin Kopp, her principal rival, only to be forced into a run-off, which was to be resolved Dec. 11.

Running behind the two dominant candidates Nov. 6 was a colorful field which included David Scott, an avowed homosexual; Jello Biafra, lead singer of the punk band. "Dead Kennedys"; Steve Calitri, a taxicab driver who wanted to ban all single passenger cars from downtown, and Patricia Dolbeare, who described herself as an "antiliberal organizer" and called for "an end to government by homosexuals."

The skyline continues to be an

Fresh salmon from Puget Sound is one of the many delicacies a shopper can find at Seattle's Pike Place Market.

explosive issue in San Francisco. The city planning commission recently rejected a proposed 33-story tower by Southern Pacific Co., and reduced the height of a new building being constructed by Crocker bank. But a referendum putting a 20-story limit on new buildings was beaten in the November balloting.

■ While the problems of energy and inflation are very much in the forefront (the city's Board of Supervisors didn't repeal the odd-even gas rationing system until the end of October), a variety of events captured the attention of San Franciscans during the year.

A record breaking heat wave with temperatures near 100 degrees in September required city water trucks to follow Municipal Railway's diesel buses, spraying them to keep them from overheating.

A "blanket" of 10,000 people jammed Golden Gate Park for the seventh annual Opera in the Park concert and gave conductor Kurt Adler and tenor Luciano Pavarotti standing ovations.

An incident of terrorism came to a chilling conclusion when a sniper who paralyzed central Market Street for 23 hours was taken alive by a police assault team but hanged himself in his city jail cell two days later.

■ Across San Francisco Bay, Oakland is in the midst of a massive urban renewal and development program.

Chamber of commerce president Lex Byer estimated private investment in downtown Oakland by the mid-1980s will total $1.5 billion with Hong Kong U.S.A., City Center, Chinatown, Victorian Row and the Oakland World Trade Center making major contributions.

Three banks are in various stages of construction. Bank of America broke ground Aug. 23 for a $6,900,000, five-story building downtown; The Bank of the Orient is scheduled to open a $600,000, two-story branch in February, 1980, and Fidelity Plaza, a $20,000,000, 15-story office and parking complex near Lake Merritt, is still on the drawing board, though zoning approval has been granted.

At Oakland International Airport, ground was broken in October for a $1,300,000 executive terminal building, an effort to lure some of the 30 executive jets that land daily at San Francisco's airport.

■ Near the Oakland Airport on Hegenberger Road, the Oakland Hilton Inn is undertaking an $8,000,000 expansion of its facilities including a nine-story building and canopied walkway to the present three-story building.

Sports fans were dismayed with Oakland's troubled relationships with its professional baseball and football teams. The A's games were virtually deserted this summer and the city even filed a lawsuit against owner Charles Finley for failing to promote the team.

The Raiders, rumored to be considering relocation to Los Angeles, requested improvements to the Oakland Coliseum totalling $15,000,000. The team is in the final year of its third three-year option in a contract with the Oakland Coliseum, and officials there said the Raiders demands are far beyond the stadium's capacity.

San Jose

Population	**1,232,200**
Rank	**31st**
Personal income	**$10,508,000,000**
Income '77 vs. '76	**+12.9%**

The rest of the country may be worried about inflation and recession but it's a bull market in San Jose, where the booming electronics industry continues to bolster the economy of one of the fastest growing metropolitan areas in the nation.

"The rate of growth in the electronics industry is fantastic," said Jim Mitchell, business editor for the *San Jose Mercury*. "There were 35,000 new jobs in electronics this year."

In October, the Sunday editions of the *Mercury* and *News*, San Jose's morning and evening newspapers, had 94 pages of classified ads, "and more than half of them were job openings," Mr. Mitchell said.

Sales for most of the electronics companies in the San Jose metropolitan area increased 20% to 60% during 1979 and a representative of one company noted he's not worried about sales for the next 18 months, describing the future as "in the bag."

■ Expansion and acquisition are the orders of the day for most of the electronics companies in the Santa Clara Valley that makes up the San Jose metropolitan area.

A case in point involved merger offers to Memorex, a manufacturer of peripheral computer equipment, from Storage Technology, a similar corporation and Amdahl, a computer manufacturer.

Memorex directors rejected a $186,000,000 bid from Storage Technology and continued discussions with Amdahl, based on improving the computer company's offer of exchanging 1.2 of its shares for each Memorex share.

"The demand for these electronics products is so high, people are forgetting what happened when the bottom dropped out of the market in 1974," one industry source said. "Very few market analysts are being cautious today; they are for the most part, optimistic."

Electronic games represent an example of the increased consumer impact on that industry. "The companies can't produce the [computer] chips fast enough," the *Mercury's* Mr. Mitchell commented.

■ San Jose is the picture of suburban affluence with 131 shopping centers, 146 major food stores, more professional employes and more incomes above $25,000 than any of the other 11 San Francisco Bay area counties.

A major challenge facing San Jose is how to manage the rapid growth it has experienced over the last decade, a central issue in the successful reelection campaign of Mayor Janet Gray Hayes.

She described a map of the city as "a moth-eaten tablecloth. We have to fill in the holes before we add more fringe."

Another challenge is to retain an identity for the city while at the same time cooperating with the other 13 communities that populate the Santa Clara County.

A task force that included real estate brokers, city council members, labor leaders, environmentalists and homeowners from all 13 communities recently concluded some form of countywide metropolitan government is needed. But the idea is politically unpopular.

■ Control over land use is a jealously guarded power among the municipalities and one they are least likely to give up.

San Jose, for example, is locked in debate with the federal government over the height of a federal office building to be constructed downtown. The city wants a high rise and the federal government wants floor space provided by a lower, more sprawling complex.

Two new high rises are making their appearance on the San Jose skyline, however. The Union Bank, a 10-story, 120,000 sq. ft. structure, was completed and construction began on a 12-story, 160,000 sq. ft. Lloyds Bank building.

San Jose police moved into new quarters this fall, ahead of official dedication in December. The new $3,500,000 three story building across the street from city hall doubles the size of the Police administration's former quarters.

Despite the jump in the prime lending rate, San Jose banks and builders say there has been no slowdown in the housing market. The average price for a home in the San Jose area climbed by $2,000 per month starting in June after holding steady for the first six months of the year. By September an all-time high average home price was reached: $98,494.

■ Retailers noted that sales are keeping ahead of the cost of living index, though figures show increases of 14% over last year's sales, indicating a pretty close margin of profit.

Energy shortages and price increases had little impact on the San Jose economy in 1979, according to Mayor Hayes. "We have not suffered any shortages as far as new industrial or commercial activity is concerned," she said.

As in other California cities, there were gas lines and the shortage affected tourism in early summer. Visitor traffic was off 30% to 35% in late May and early June, according to James Tucker, economic development director for the San Jose Chamber of Commerce. Late summer activity was at the same level as 1978, he added.

Major hotels and motels have been running at 100% occupancy during the week and close to that on weekends, Mr. Tucker said, compared to 86% a year ago.

Seattle

Population	**1,467,600**
Rank	**22nd**
Personal income	**$12,070,000,000**
Income '77 vs. '76	**+11.13%**

A visitor has only to hop into a cab or car at the Seattle-Tacoma International Airport and drive downtown to catch the sweep of new construction that is changing the face of the city.

Major new office buildings include the 35-story 1111 Third Ave. Bldg., which topped out recently; the 36-story One Union Center, now well along, and the 42-story Seafirst Fifth Ave. Plaza, the newest of the projects.

Among hotels, the 33-story Park Hilton is just about finished, the 18-story David Denny is just starting and the biggest of all, the 47-story, $60,000,000 second tower of the Washington Plaza, the pride of Western International Hotels, is scheduled for completion in mid-1982.

■ Everett, 30 miles to the north and part of the SMSA, will soon have its first 12-story office building. To the east, as one drives across the Lake Washington Floating Bridge on Int. Hwy. 90, new high-rise office buildings of fast-growing downtown Bellevue stand out.

Along with this go a lot of smaller buildings and a record number of apartment and single-family residential construction projects. All told, according to "Marple's Business Newsletter," the regional publication, there is more new construction under way in Seattle than at any time in the city's history.

What's behind it? Topping the list is the tremendous workload of the Boeing Co., the world's largest builder of commercial aircraft. Its work force now exceeds 76,000 in the Seattle-Everett area, and its backlog totals more than $16 billion. In 1979 alone, Boeing added more than 10,000 employes, though figures are expected to level off next year.

But Seattle has become a lot more than just a builder of aerospace vehicles. With expansion in other manufacturing, notably in electronics and diversified goods, and with sharp growth in retail trade, services and other support groups, Boeing's place in the economy has actually shrunk. In 1966, when Boeing employment reached an alltime high, its work force accounted for 22% of all employes in the Seattle-Everett area. Today that proportion has fallen well below 10%.

The big growth comes with emergence of Seattle as the commercial and financial capital of the Pacific Northwest, serving a wide area—from the wheat and apple farms of the interior to the concentrated forest and shipping centers around Puget Sound and the oil and fishing industries of Alaska.

■ Ocean shipping takes on increasing importance, too. The Port of Seattle, under leadership of dollar-a-year commissioners, pioneered the building of docks, cranes and marshaling yards that have made Seattle second only to New York in movement of ocean shipping containers. Now the opening of China gives fresh impetus to shipping, and almost every week delegations of public officials and private industry head off for the Orient through Seattle.

As in much of the country, the most rapid growth in Seattle has

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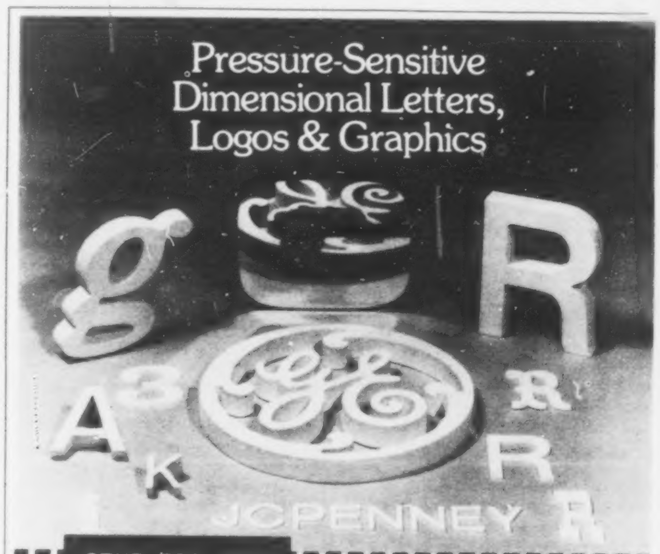
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(Continued from Page 71)

come not in manufacturing but in the services sector—new stores and shopping centers, new restaurants and notable expansion in the number of professional services, including accountants, lawyers, bankers and insurance brokers. Legal and accounting firms take a substantial amount of the available new office space.

Health services have also grown in importance—to residents of the Pacific Northwest and to the economy. The University of Washington Medical School, founded just after World War II, has become the largest in the nation in volume of medical research. Its teaching programs tie in with universities from Montana to Alaska. The number of employes in health services in the Seattle-Tacoma area now approaches 40,000, up nearly 25% in three years.

But Seattle has become known as a fun town, too. Two continuing attractions are the famed Pike Place market and the renovation of the Pioneer Square district.

- The Seattle Supersonics captured the National Basketball League championship last year and, in the process, had to move to the Kingdome stadium to accommodate record-breaking crowds. The Seattle Seahawks, now in their fourth year in the National Fooball League, sold out their entire season weeks before the first kickoff. And the Mariners, an American League baseball team, never far from the bottom of the standings, drew smaller crowds.

New restaurants have sprung up in the past two to three years, almost faster than one can keep track of. Indeed, the *Weekly*, the city's alternative newsweekly, recently published a section devoted to the 100 best restaurants. The diversity of restaurants ranges from French, Italian and Czechoslovakian to those influenced by the city's location on the Pacific rim—the restaurants with the cooking of Korea, Japan, China, Indonesia and India.

The legitimate stage continues to draw larger audiences. The Seattle Repertory Theater played to full houses for most of its last season. Now the city has begun construction of another theater on the grounds of the 1962 World's Fair.

In the heart of downtown, the Fifth Ave. Theater, built in opulent Chinese style 53 years ago and listed on National Register of Historic Places, is to be rebuilt as a performing arts center. And each summer, the Seattle Opera Assn. puts on the full Wagnerian Ring cycle, the only place in America where this is done.

The growth of the city brings counterpressures, however. Various individuals with good humor belong to what they call Lesser Seattle, an effort to preserve a beautiful corner of the country for those already here.

One can see why from a recent report from the State Office of Fiscal Management, which placed net inmigration into Washington during the fiscal year through April, 1979, at 100,600. That's 82% of the year's increase in total population and by far the largest gain since annual data were compiled starting in 1965.

Tacoma

Population	1,467,600
Rank	89th
Personal income	$12,070,000,000
Income '77 vs. '76	+11.13%

Tacoma has an asset found at no other deepwater port on Puget Sound: A number of large industrial manufacturing sites served directly by ocean shipping.

The development of these sites is controlled by the Port of Tacoma, which limits new manufacturing to that which requires water borne commerce—either for inbound raw materials or for the shipment of finished goods.

The results are spectacular. Tonnage moving across the docks went from 2,700,000 tons in 1976 to 5,400,000 in 1978. For 1979, the port estimates a final total up another 20%

- Tacoma, already the port of entry for imports of Chrysler and General Motors cars built in Japan, picked up late in 1979 a Mazda contract that is expected to bring to 130,000 the number of automobiles landing annually in Tacoma.

Figuring in all costs (for tugs, barges, diesel fuel, ship stores, longshoring and driveaway), the port estimates the average economic benefit to the community at $180 for each car imported—a total that exceeds $23,000,000 a year.

Two projects indicate the type of industrial expansion that the port fosters. Domtar Inc., a Canadian manufacturer, leased 15 acres for construction of a $15,000,000 plant to build gypsum wallboard. Construction of the plant is contingent upon Domtar's obtaining various shoreline and pollution-control permits. Domtar would bring raw gypsum by water from Mexico.

In another project for an Australian wood products company, the port agreed to advertise for sale a 50-acre tract (one of its inland industrial tracts) that is served by truck and rail, but not by ocean shipping.

The company would remanufacture lumber, produced in the Puget Sound area, into mouldings and other end products. Hugh Wild, the Port of Tacoma's industrial development and marketing manager, said the company expects to employ about 100 people initially.

- New forecasts prepared by Bonneville Power Administration for the Pacific Northwest indicate that Pierce County (Metropolitan Tacoma) will add 20% in employment from 1975 to 1980 and 12% more from 1980 to 1985 to a total of 184,600.

Tacoma business and civic leaders continue to work to retail a vital downtown, an area about a mile off the north-south I-5 freeway and scheduled to have a stub connection to the freeway in 1982. A number of retailers have left downtown for the Tacoma Mall, alongside the freeway on the edge of Tacoma.

Sears, Roebuck & Co., which has had a downtown location in Tacoma for 50 years, recently announced it will move to the mall, where Sears is building a 178,000 sq.-ft.-full-line store, to be completed in 1981.

But there is downtown expansion by other businesses. For example, headquarters for United Pacific Insurance Co., a subsidiary of Reliance Insurance Co., expanded into a building formerly occupied by the Bon Marche department store. The University of Puget Sound, whose campus is on the edge of Tacoma, is building a center downtown for its fast-growing and highly regarded law school.

- Looking further ahead, Tacoma leaders already are working on Expo '89, a world's fair that would bring construction of a permanent sports arena, convention center and exhibition hall. The city already has called in Allen Beach, planner of the world's fair in Osaka, for preliminary studies.

Expo '89 would be a special-category international exposition, such as the Century 21 world's fair in Seattle in 1962, Expo '74 in Spokane and the San Antonio Hemis-Fair in 1968.

Financing for the sports and conventional hall, center piece of Expo '89, is expected to go on the ballot in Tacoma in the spring of 1980. The 67-acre site already has been selected, some of the land vacant or containing rundown housing, but no attempt has been made yet to acquire the land.

- Noting that 1989 is the 100th anniversary of statehood in Washington, Mayor Mike Parker, strong advocate of Expo '89, said, "The eyes of the state will be where they belong—on Tacoma."

Changing life styles, spending spur market growth

(Continued from Page 1)

things happen.

And all of America is prepared to join them, for what is developing is but the more explicit, uninhibited evolution of the social and economic values endorsed in the '70s. The direction of the recent past is a preview of what will emerge in the '80s.

Already some of the statistics are in. We previewed some of the significant demographics a year ago (AA, Dec. 11, '78). The burning question is how markets will change as a result of the proliferation of one-person households, the broad participation of women in the labor force, delayed marriages, the high divorce rate, the low birth rate, women's lib, etc.

Changing life styles are bringing about a higher consumption rate. The degree to which consumers have increased their personal consumption expenditures during the last few years is well portrayed by the accompanying table.

The percentage of disposable income which consumers have devoted toward the consumption of goods and services is now at an unprecedented level.

Income vs. consumption

	Personal disposable income	Personal consumption expenditures	Per cent consumption to income
1970	685.9	618.8	90.2%
1971	742.8	668.2	89.9
1972	801.3	733.0	91.5
1973	901.7	809.9	89.8
1974	984.6	889.6	90.3
1975	1,086.7	979.1	90.1
1976	1,184.5	1,089.9	92.0
1977	1,305.1	1,210.0	92.7
1978	1,458.4	1,350.8	92.6

- Turning to the latest information on U.S. markets contained in the new "Marketing Economics Guide 1979-80," one is immediately impressed by the broad impact that the increase in consumption has had on the thousands of markets in the country.

It accentuates the need for accurate measures of the current dimensions of each market so that marketers can assign their resources commensurately.

We find that from the time of the 1972 census to the present, the Mountain and West South Central regions scored the highest rates of increase in retail sales, 100.4% and 97.5% respectively. Wyoming and Nevada were the outstanding gainers in the Mountain region while Texas led in the West South Central.

Retailers in Alaska benefited substantially from the construction of the pipeline. In 1978, for example, long after the pipeline became fully operational, they realized a retail sales volume that is 138.9% above 1972.

If marketers were to follow the business adage, "people make the markets," and target markets according to where people are moving, they would miss some of the fastest growing markets. Aside from the two Sunbelt states, Texas and Nevada, the other pacesetting states following Wyoming and Alaska are in the Frostbelt: Montana (+105.4%), Idaho (+103.9%), North Dakota (+104.8%) and Oregon (+104.2%). All of these states more than doubled their retail sales volume since 1972.

- In order to capture the lion's share of the action, it is advantageous for marketers to examine each state in detail by focusing on the major markets. The 100 top markets in population account for 58.7% of the population, but 63.8% of the disposable income and 61.1% of the retail sales. These three statistics summarize succinctly the attraction of these markets.

Marketers who are laying their plans for the '80s will give these quality markets careful scrutiny because their high concentration of population offers the highest marketing efficiency, a critical consideration in the growing energy crisis. Moreover, their accumulated purchasing power promises substantial returns.

Among these 100 top metropolitan markets, those who have been making significant gains in retail sales will be the most attractive. Just as each growth company has a mystique of its own and an allure associated with it, so the growth markets have a special appeal to marketers.

The golden dozen markets that have compiled the best sales records, with the exception of Flint, Mich., are all located in the Sunbelt. Consequently, with the ever-growing energy crisis and food shortages, these are the areas that will continue to enjoy healthy growth during the decade of the '80s.

- The accompanying table shows the estimated 1978 retail sales volume and sales growth since the 1972 census. In addition, to help qualify the data, we have added per household sales for each market for 1972 and 1978, and the index of change.

The index shows how the retail sales volume changed after adjustment is made for the demographic change that occurred during the same period. Thus, Flint emerges with the highest index because, during this period, Flint had the lowest percentage of net demographic change. Consequently, an overwhelming part of the change in retail sales was generated by the same (or equivalent) households.

On the other hand Fort Lauderdale-Hollywood experienced the largest in-migration among the 12 markets; therefore, after allowing for the retail sales volume generated by the newcomers, its index of retail sales change came down to 145.

The table also shows the index of sales to income, an excellent barometer to show the retail drawing power of a market. If the index is greater than 100, it shows the extent to which the market attracts customers from outside the market. If the index is less than 100, it shows the extent to which resi-

(Continued on Page 74)

Golden dozen metropolitan areas

(Top 100 metropolitan areas)

	Total retail sales (000 omitted)	% change 1978/1972	Per household sales 1978	Per household sales 1972	Adjust. index 78/72	Sales/income index 1978	Sales/income index 1972
Las Vegas	$ 1,952,744	121.1%	$14,475	$8,488	171	134	118
Houston	11,693,453	121.0	12,832	7,716	166	95	114
Austin	1,983,056	115.2	11,651	7,857	148	104	126
Flint	2,639,689	114.6	15,537	7,868	197	138	113
Baton Rouge	1,837,861	110.3	12,834	7,644	168	125	118
Anaheim-Santa Ana-Garden Grove	8,250,080	110.2	13,050	8,111	161	89	103
Phoenix	5,711,768	106.5	12,289	7,928	155	123	121
Fort Lauderdale-Hollywood	4,394,616	105.9	12,030	8,294	145	116	136
Tulsa	2,678,819	105.5	11,332	6,621	171	126	117
Fresno	1,996,226	104.2	11,763	7,001	168	106	115
San Diego	6,648,835	102.1	10,601	7,165	148	107	100
Sacramento	4,052,427	101.2	11,712	7,315	160	84	108

Growth is spurred

(Continued from Page 72)

dents make their purchases within the market.

Fort Lauderdale-Hollywood, for example, had the highest index among the 12 markets in 1972, but it gradually declined during the period, probably as the result of the rising competition from adjoining retail markets, a drop in the tourist trade and/or the conversions of some of the tourists into permanent residents.

- One of the more familiar and well documented patterns of mobility during the postwar period has been the flight from the central cities to the suburbs. As far as retail sales growth is concerned, the central cities of the faster growing markets portray a different but better picture.

Quite a number of these cities are enjoying a rate of retail sales growth that is almost on a par with the entire market for which it is the nucleus. For example, Houston shows a growth rate for the entire metropolitan area of 121% while the city itself has had a growth rate of 106.8%; Austin shows a growth rate for the entire market of 115.2% while the city itself has a growth rate of 116.2%, a better performance than the entire market and its suburbs.

Herein is a caveat for the uninitiated: Most of the states of the South and the West have laws that permit corporate cities to annex suburban areas with comparative ease.

This policy has the advantage of according to the city fathers the right and the obligation to develop the city according to a systematic, organized master plan. At the same time, it accords to the residents in the annexed areas the right to the various municipal services that are the necessary perquisites of a developing urban area and the obligations of a taxpayer.

The basic purpose of these provisions is to facilitate the development of the city. At the same time, it is intended to forestall the appearance of the ugly problems that have plagued the central cities of the older metropolitan areas during the past few decades.

An accompanying table lists the golden dozen central cities that have compiled the best gains since 1972. Because these cities are associated with the faster growth metropolitan areas, the legal provisions would appear to have contributed to their fast development.

For the market analyst, however, it is important to bear the caveat in mind when examining the data, because there is no easy technique to adjust the retail sales information to permit a consistent comparison along the same boundaries. The Bureau of the Census prepares a periodic study, entitled "Boundary and Annexation Survey (Series GE-30)" which shows the municipalities that have had the greatest net increase in land area since the last census.

In examining the regions and the states of the country, we noted that the states enjoying the fastest rate of growth in retail sales were located in the Frostbelt. Indeed, scrutinizing the remaining metro areas, we find that among the markets with the fastest growth rates are Anchorage, Billings, Boise City, Bismarck and Reno, markets located in the fastest growing states.

One interesting observation is that none of the smaller metropolitan areas in Florida which have enjoyed the most significant population growth rates—Fort Myers-Cape Coral, Sarasota, West Palm Beach and Bradenton—ranked among the top 12 markets in retail sales growth.

This is partly attributable to the fact that the Florida markets enjoy substantial tourist business so that they have a higher level of retail sales compared with other markets of the same population size group. Measuring growth in terms of growth rates, therefore, does impose a handicap.

- This analysis highlights the business opportunities that are open to marketers who want to ride on the coattails of growth. In examining the changing pattern of retail sales among the markets in the country, one important factor to evaluate during this period of rising inflation is the variation in prices from market to market.

For example, per household sales in Anchorage are at a high level of $19,332. This large differential over the rest of the markets in the country is attributable to the high prices that prevail in that market.

Golden dozen central cities

	Total retail sales (000 omitted)	% change 1978/1972	Per household sales 1978	Per household sales 1972	Adjust. index 78/72	Sales/income index 1978	Sales/income index 1972
Austin	$1,659,793	116.2%	$13,729	$ 9,032	152	111	146
Bakersfield	802,479	113.8	26,484	16,756	158	243	248
Houston	7,751,872	106.8	13,643	8,638	158	92	115
Tulsa	1,963,789	104.0	15,129	8,151	186	152	132
San Jose	2,201,277	97.6	11,112	7,902	141	84	95
Albuquerque	1,613,798	96.8	15,370	9,703	158	160	146
Oxnard-Simi Valley-Ventura	1,016,051	93.2	15,560	10,866	143	116	130
Baton Rouge	1,233,208	92.9	11,450	12,176	94	100	183
San Diego	3,164,362	92.1	10,039	6,806	148	103	97
El Paso	1,474,065	91.5	11,543	7,880	146	152	157
Anaheim-Santa Ana-Garden Grove	2,334,388	90.5	13,019	8,470	154	100	104
Fresno	1,158,987	89.0	16,164	10,257	158	152	175

Golden dozen metropolitan areas

(All metropolitan areas)

	Total retail sales (000 omitted)	% change 1978/1972	Per household sales 1978	Per household sales 1972	Adjust. index 78/72	Sales/income index 1978	Sales/income index 1972
Richland-Kennewick-Pasco	$ 550,016	165.2%	$12,472	$ 6,799	183	110	95
Bryan-College Station	295,991	150.1	11,983	7,172	198	100	119
Midland	418,692	147.6	16,292	7,938	208	99	116
Odessa	603,648	146.6	16,767	8,467	196	120	129
Lafayette	713,280	143.3	17,024	8,677	190	102	124
Reno	1,125,824	143.1	16,654	9,729	171	131	150
Sioux Falls	580,087	138.5	16,340	7,820	209	124	155
Bismarck	374,225	136.5	14,561	6,278	232	86	122
Provo-Orem	581,881	135.0	10,067	5,896	171	119	120
Boise City	746,799	129.0	13,456	7,973	169	131	120
Billings	587,623	128.4	15,505	8,353	186	135	145
Anchorage	964,691	125.9	19,332	10,877	178	108	101

On the other hand, the Anchorage market is among the markets that have had comparatively small price increases; Houston and Denver-Boulder have had to adjust to much sharper increases.

The retail outlets located in the fast-growing markets usually proliferate according to a rather familiar pattern. As soon as the retail volume in a market begins to turn upward noticeably, new furniture/home furnishings and household appliance stores and apparel and accessory outlets will be among the first store categories to appear and they will proliferate quite rapidly.

- The ease with which businesses can enter into a market is one of the determining factors. Automotive dealers, building materials-hardware stores and large supermarkets will take a little longer time to start up.

Existing stores usually have a comfortable margin between actual and potential retail volume so that potential competitors will scrutinize all available sites before they make a firm decision to proceed. As a consequence, new, large department stores usually require the longest time to enter a market.

Inflation has imposed a burdensome challenge on marketers. MEI's product measure studies show dramatic changes in the demand, supply and price schedules for many products and services. Not only inflation itself, but the anticipation of accelerated inflation and the increasing importance of consumers of the NOW generation and their influence on the older generations have caused sharp changes in consumer expenditure patterns.

Marketers who continually monitor these changes, market by market, are in a better strategic position to respond to and to anticipate how these changes will affect the sales potentials for their products.

There have been significant changes in consumption expenditures during the past five years.

- For many categories, the data in the accompanying table highlight the power that suppliers of scarce goods and services can exercise to magnify their take of the consumer dollar. The table also serves to quantify the impact that these categories have made on the consumer budget forcing drastic changes in consumer spending patterns.

In the case of the distribution of petroleum products, there has been a substantial attrition of outlets since 1972. Not only has it become more inconvenient and more expensive for consumers to purchase gasoline, but they have also been forced to alter their shopping patterns.

Earlier we voiced the hope that the new Congress, elected on a mandate to cut taxes sharply, would work together with the administration to balance the budget, too. This would have been an important beginning toward restraining inflation and improving economic conditions.

Since this hope was not realized, we are saddled with an administration policy that includes high interest rates coupled with deficit spending, twin scourges that are working at cross purposes. The economy will enter the new decade in a state of stagflation, aggravated by a serious balance of payments problem and embarrassed by substantial international speculation on the dollar.

- There is hope that the exigencies of a Presidential election will force the government to implement a comprehensive, forward-looking program that will start the economy moving forward again.

Otherwise, having whetted the appetite of the NOW generation during the past few years, the administration will be particularly vulnerable to their sizable voting power, their boundless energy to work for a cause, their high educational attainment and their penchant to ask why.

Since they owe no loyalty to venerable concepts, programs, or agencies that have served their purposes in a bygone era, they will be more than ready to supplant them with those that will meet the challenges of the '80s. #

Personal consumer expenditures 1978 vs. 1972

	(Millions of Dollars) 1978	1972	Per cent increase
Household utilities	$63,508	$28,763	+ 120.8%
Electricity	28,337	12,314	+ 150.1
Gas	14,248	6,541	+ 117.8
Fuel oil and coal	13,983	6,270	+ 123.0
Medical care expenses	131,026	61,188	+ 114.1
Physicians	31,214	15,489	+ 101.5
Dentists	12,174	5,403	+ 125.3
Other professional services	5,364	2,336	+ 129.6
Privately controlled hospitals and orthopedic appliances	54,621	23,303	+ 134.4
Health insurance	12,727	5,564	+ 128.7
Medical care and hospitalization	6,689	2,594	+ 157.9
Workmen's compensation	3,324	1,415	+ 134.9
User-operated transportation			
Net purchases of used autos	17,724	7,300	+ 142.8
Other motor vehicles	12,768	5,454	+ 134.1
Repair, greasing, washing, parking, storage & rental	29,466	13,922	+ 111.7
Gasoline and oil	50,908	24 879	+ 104.6
Purchased intercity transportation			
Airline	5,265	2,637	+ 99.7
Recreation			
Books and maps	5,420	2,530	+ 114.2
Magazines, newspapers and sheet music	9,975	4,685	+ 112.9
Admission to spectator amusements	7,373	3,140	+ 134.8

Source: Survey of Current Business, July, 1976 and 1979

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